

March 8, 1935

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WRITER

The National U LIFE INSURAN

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LIFE & ACCIDENT INSURANCE
GENERAL AGENCY

FRIDAY, MARCH 15, 1935

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As SOLID AS IT APPEARS!

The Dividend Paying Company of America

Dividends paid to policyholders during 1934 were \$31,560,000 — approximately 27% of the participating premiums collected.

The sum of \$34,600,000 has been allotted for dividends to policyholders in 1935—an increase of over three million dollars.

Once a policyholder . . . always a prospect!

FOR years, the Northwestern Mutual agency force has secured over 50% of its total new business from policyholders. Thus the familiar slogan, "Once a policyholder — always a prospect."

Each policyholder application is a signed testimonial of satisfaction, created through the personal service of an agent, and based on the policyholder's appreciation of Northwestern ideals and performance.

During 1934, the percentage of new business upon the lives of members previously insured in the Company was 51.75%.



The assets of the Northwestern Mutual as reported to state insurance departments, now exceed a billion dollars — a great estate administered for the mutual welfare and protection of more than 600,000 policyholders with over three and a half billions of insurance in force.

PUTTING THE EQUITABLE AGENT INTO THE PICTURE

The national advertising program of The Equitable Life Assurance Society of the United States for 1935 will continue to feature the Society's Case Method of Life Insurance Planning, emphasizing the highly important part the trained Equitable agent plays in fitting the insurance to the exact needs of the prospect.



**"I'm a singer,
not
a banker"**

says *Jessica Dragonette*

"—and that's why I adopted this
Equitable insurance plan."

Some years ago Jessica Dragonette, the popular radio star, started buying Equitable Endowment Policies. She had two objectives in mind:

To make safe and lasting provision for her own future;

To provide for family dependents and other financial responsibilities.

Now with complete freedom from investment cares, Miss Dragonette can devote her whole time and attention to the pursuit of her career.

Recently she increased her life insurance holdings with The Equitable. The Equitable agent who planned the insurance arranged it so that Miss Dragonette will, at an optional future date, receive a monthly income guaranteed for as long as she lives.

Miss Dragonette writes:

My dear Mr. Carroll:—

This is to acknowledge receipt of my Equitable policy. I would like to take advantage of this opportunity to thank you for outlining this splendid plan for systematic saving during my productive years. It has given me such a sense of security I should like to recommend this same plan to anyone seeking to safeguard the future as well as the present.

Jessica Dragonette

Miss Dragonette's insurance plan illustrates how the Equitable Case Method fits insurance to the individual's needs and wishes.

You, too, have special ambitions — to guarantee funds for a child's education, to pay off a mortgage, to assure a life income for yourself or some dependent, etc. Why not let an Equitable agent put the Case Method to work for you?

THE EQUITABLE

FAIR — JUST

LIFE ASSURANCE

SECURITY — PEACE OF MIND

SOCIETY

MUTUAL — COOPERATIVE

OF THE U.S.

NATION-WIDE SERVICE



Thomas I. Parkinson, President

*This advertisement is appearing in current
national publications.*

THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

Thomas I. Parkinson, President

393 Seventh Avenue, New York

The National Underwriter

LIFE INSURANCE EDITION

Thirty-Ninth Year—No. 11

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, MARCH 15, 1935

\$3.00 Per Year, 15 Cents a Copy

Not Found Threat to Life Insurance

Government Annuities Not Regarded as Endangering Cause of Private Companies

WITTE GIVES HIS VIEW

Executive Director Committee on Public Safety Outlines the Scope of the Plan

The establishment of government annuities and old-age pensions would be a help rather than a hindrance to life companies which write this class of business, according to E. E. Witte, executive director of President Roosevelt's committee on economic security, in an interview in the "Managers Magazine" of the Life Insurance Sales Research Bureau.

It is pointed out that as yet no definite legislation has been passed by Congress and that therefore at present the only thing to be had are the intentions of the committee which made the studies and recommendations which may or may not be embodied in the final bill.

Will Expand Public Mind

After considering the possible provisions for old age pensions, group annuities and voluntary government annuities, Mr. Witte feels that the significance of the whole project, so far as life companies are concerned, is the same as has already been expressed by President Parkinson of the Equitable Life of New York and others; viz., that the idea of guaranteed old-age incomes will expand in the public mind in much the same way as the public conception of life insurance grew after the federal war risk insurance plan was launched.

Mr. Witte emphasizes the fact that the committee's plan was aimed at the bottom of an economic and social pyramid. "A total of about 1,000,000 of the 7,500,000 men and women in this country now 65 years of age or older are receiving financial assistance from public funds," he said. "The majority of these are entirely dependent on this source of income. Even before the depression, surveys indicated that from one-third to one-half of aged persons were dependent upon others for support. The depression which has wrought such havoc with so many families has naturally aggravated this situation. It is also true that both the absolute number and the proportion of old people to the total population is increasing....

To Provide Small Monthly Income

"To meet the immediate problem, the government proposes to make grants of money to the states, 28 of which already have pension systems, which will provide a small monthly income to these dependent aged people. This phase of the program is referred to as 'non-contributory old-age pensions.' Since these

New Medical Reimbursement Health Contract Is Issued

IS ONE OF FIRST IN FIELD

Continental Casualty Brings Out Policy with \$500 Limit for \$24, Men, and \$30, Women

The Continental Casualty of Chicago this week announces to its field force introduction of a medical reimbursement health contract. This is one of the first important companies in the medical reimbursement field to apply the principle to health insurance.

The new contract, which sells at a flat rate of \$24 for men and \$30 for women, classes A to D inclusive, including unemployed persons, pays up to \$500 on the following allocated basis:

For hospital \$8 daily, nurse \$5 daily, \$5 to \$100 for operations according to the regular schedule in the policy, and \$3 per x-ray up to \$15.

The contract is simple. No medical examination generally is required, although the company reserves the privilege to examine if this seems necessary.

The medical reimbursement health contract is essentially not an experiment with the Continental Casualty, for the company for many years has sold a larger proportion of health insurance than the average company. It is emphasized in the message to agents that success in underwriting this protection will depend very largely on selection by agents in the field. It is stated that this coverage opens an entirely new field for the agents and affords an excellent entree for the placing of other insurance.

Among its advantages are that it makes available protection against the heavy expense of hospital, nurse's and other expenses arising from sickness for persons who never have been able to buy the regular health policy, such as housewives, unemployed women, etc.

Has Many Advantages

The new coverage supplements the popular medical reimbursement accident policy which is sold now by many companies and makes it possible for an agent to protect people against medical expenses due to both accident and illness, whereas the latter hazard has not been thoroughly insured in the past.

While a proportion of medical expenses due to illness has been covered in the average health contract in the past for varying percentages of the weekly indemnity, this created the situation in which, to secure an adequate amount of medical expense protection the policyholder had to increase the amount of weekly indemnity accordingly. Frequently this made the total premium burdensome to policyholders. The new contract permits them to carry an adequate amount of medical expense insurance at moderate cost.

Also, there are many persons who are not eligible under the regular health contract for sufficient hospital indemnity to protect them fully, but who now can secure the amount of this protection that they need.

The subject of medical reimbursement health insurance was one of the important items in the agenda for the meeting of the Bureau of Personal Accident & Health Underwriters in New York City, March 14.

February Production Total Shows 11 Percent Increase

LIFE PRESIDENTS' FIGURES

Gain for First Two Months of Year Is 17.6 Percent—All Classes Up Except Group

NEW YORK, March 14.—New life insurance production last month was 11 percent greater than for February, 1934, the Life Presidents Association reports. For the first two months of this year, the cumulative total was 17.6 percent above the amount for the corresponding period of last year.

For February, total new business of all classes was \$719,598,000 against \$648,073,000 in February, 1934, increase 11 percent; ordinary, \$490,193,000 against \$424,395,000, increase 15.5 percent; industrial, \$209,017,000 against \$196,816,000, increase 6.2 percent; group, \$20,388,000 against \$26,862,000, decrease 24.1 percent.

For the first two months, the total new business was \$1,544,501,000 this year against \$1,313,530,000 last year, increase 17.6 percent; ordinary, \$1,091,493,000 against \$860,071,000, increase 26.9 percent; industrial, \$405,272,000 against \$393,924,000, increase 2.9 percent; group, \$47,736,000 against \$59,535,000, decrease 19.8 percent.

Plan New England Conference

The second annual New England Life Managers Conference under the auspices of the Massachusetts Life Underwriters Association will be held in Worcester, Mass., May 9-10. A special program of speakers will be presented by Manager Holcombe of the Life Insurance Sales Research Bureau and various discussions assigned. George H. Tracy of Boston, president of the Massachusetts association, will be in charge. The only speaker secured so far is Dr. S. S. Huebner, who will speak on "Recent Important Economic Events and Their Favorable Bearing on Life Insurance."

New Brooklyn National Head

H. L. Delatour, secretary of the Brooklyn National Life since its founding in 1925, has been elected president to succeed Judge W. R. Bayes, who was recently appointed city magistrate. Mr. Delatour is a prominent Brooklyn attorney and has taken an active part in the borough's social and civic affairs. Assistant Secretary G. M. Selser was named secretary to succeed Mr. Delatour. Dr. W. L. O'Connell, medical director, was made a director.

Wants Larger Appropriation

SALT LAKE CITY, March 14.—Commissioner E. A. Smith is aggressively sponsoring a measure to increase the insurance department appropriation from the present \$6,000 to \$19,000. This would provide a deputy commissioner, chief examiner, two field men and other assistants. At present the commissioner has only a stenographer as aid. The insurance companies have paid an average of \$245,000 a year in taxes in the last five years, only 2½ cents out of every tax dollar going to supervision.

New Code Limits Acquisition Cost

Revised Illinois Measure Is Being Studied by Life Companies and Others

OTHER NEW RULES MADE

Assessment Companies Get More Consideration, but Are More Strictly Regulated

SPRINGFIELD, ILL., March 13.—Hearings on the new Illinois insurance code will be held before the senate insurance committee March 20 at 2 p. m. and March 27 at 2 p. m. In the house it is referred to the committee of the whole and it is set as a special order for March 27 at 10 a. m.

Limitation of acquisition costs to 100 percent of the first year's gross premium is the most striking feature of the life section of the new Illinois insurance code, introduced in the legislature last week. Printed copies of the new code, showing the revisions made after the code hearings, only became available this week. They are being put under the microscope by the life companies and other interests. Hearings will be held by the insurance committee of the senate within about a month. The house will take up the code in committee of the whole in about three weeks.

The limitation on acquisition cost applies to all companies, not merely those organized in Illinois. Renewal expenses are limited to 10 percent of the renewal premium for the nine years following the first. The 10 percent renewal cost may be exceeded only in those years when the excess can be covered by a saving in acquisition expenses.

Medical Fees Exempted

In computing acquisition expense all the costs incurred in acquiring new business must be included, except that medical expense and inspection fees are not counted. Normal overhead expenses at the home office are not counted.

After the tenth policy year the renewal expense is limited to 3 percent. The 3 percent can be exceeded if the excess is covered by the other renewal allowances.

The effect seems to be that a company may use 100 percent of the first premiums, 10 percent for nine years and 3 percent thereafter, provided its over-all acquisition and renewal expense does not exceed the gross limit.

Rigorous on Par and Non-Par

Two other requirements of some importance are laid down. No company can write business in Illinois after this year on both the participating and non-participating plan, unless at least 90 percent of the profit on the participating policies shall inure to the benefit of the participating policyholders. After this year annuity premiums on annuities car-

(CONTINUED ON LAST PAGE)

First Substantial Improvement Shown in Disability Experience

By R. B. MITCHELL

NEW YORK, March 14.—Disability underwriting losses for 1934 among New York admitted companies showed the first substantial improvement since the heavy upward loss trend began to make itself felt nearly a decade ago, according to figures taken from annual statements. Losses from this source, as shown in gain and loss exhibits, totaled \$41,247,462 for 1934 as against \$62,862,988 for 1933, a drop of 30 percent. Furthermore, the process of building up higher reserves has progressed to a point where it is believed that a few more years will see the end of heavy losses for companies which have been forehanding in getting their disability reserves on an adequate basis.

Tremendous Sum Is Paid Out in Disability

The end of the disability drain will be extremely welcome, for beginning with 1927 the total is \$331,101,000 to date. The table below shows how the tide of losses rose steadily from 1927 to 1932, with only a relatively small abatement in 1928. The 1933 figures showed a minute improvement over

1932 but it remained for 1934 to indicate a real reduction:

1927	.....	\$ 20,500,000
1928	.....	18,000,000
1929	.....	21,800,000
1930	.....	47,700,000
1931	.....	55,882,000
1932	.....	63,136,000
1933	.....	62,836,000
1934	.....	41,247,000
Total	.....	\$331,101,000

These losses are caused by having to set up larger reserves both on "active" lives (those having income disability in their policies but who are not disabled) and on "disabled" lives (or those which have already become claims). Efforts of the companies and the New York department have been to get the disability reserves, particularly on business with the 90-day presumptive clause, up to at least a "Class III" basis and it is to this end that funds have been and are being taken out of surplus.

Ninety Day Clause Experience Is Bad

The Class III experience, reported by the Actuarial Society in 1926, showed that policyholders with the 90-

day clause not only became disabled at a greater rate than contemplated in the original rates but that once disabled, they lived longer than was expected and recovered less rapidly.

In the fall of 1930, the New York department issued a ruling that on business issued prior to July 1, 1930, the date on which substantial rate increases on disability became effective, "companies should accumulate over a period of a few years such additional reserves over and above Hunter's table as appear sufficient in the light of the best information available to take care of the liberal disability benefits granted in the past."

Aim to Get Reserves on Class III Basis

Getting reserves on a Class III basis is the department's present aim. Although under present conditions Class III is considerably less than adequate as a reserve basis for policies issued with the 90-day clause, it is hoped that the excess of bad experience over a Class III valuation will be found due to current unsettled economic conditions, and that with improvement in the gen-

eral picture, disability experience will improve so that Class III reserves will be adequate. If future experience proves otherwise, additional reserves above Class III will have to be built up.

Class III Table Recognizes Increasing Life Expectancy

So far the department has followed the disability situation among companies domiciled in New York State considerably more closely than it has those of other states, but it will shortly begin checking up to see that adequate reserves are being built up by non-state companies authorized to do business here. However, it is generally believed that non-state companies have adopted about the same conservative policy as New York domestic companies.

The Class III table is a select table, taking account of the fact that the longer a disabled person lives, the longer he is likely to live. Thus, a disability annuity of \$1 per year may have a present value of four or five dollars if it is the first year of disability. But if the disability has continued for

(CONTINUED ON PAGE 22)

Experience on Disability! Double Indemnity and Annuities in 1934

(from Reports filed in New York State)

—Disability Disb.**—Reserves for disability**—

Disability Prems.**	1st Yr. & Renewal	Payments Made	Prems. Waived	Active Lives	Disabled Lives	For Out- standing Claims; losses inc. but not reported, etc.	Disability Gain or Loss** (without loading)	Change in Surplus Charged to Dis- ability**	Policy Divs. Declared for 1935 (annual basis)**	Annuity Year	Prem.s.***	Reserve on Annuities at End of 1934***	Net Changes in Surplus charged to Annuities 1934 ***	Real Estate Own- er of value)	
Aetna Life	1,564,322	3,655,149	451,482	8,535,573	11,608,106	4,969,913	-2,273,593	-623,937	+12,987 (1) 2,240,619	7,490,463	841,771	32,700,794	-90,576	33,799,302	
Bankers, Ia.	942,268	674,534	183,051	4,355,134	5,248,870	399,782	-78,562	-89,430	+35,600	3,458,000	1,184,106	165,630	2,705,346	-37,401	15,938,270
Berkshire	92,778	31,662	9,490	180,339	263,791	1,500	-8,696	+12,827	+5,303	1223,427	1,449,474	250,401	2,240,729	-51,116	8,334,339
Brooklyn Natl.	12,840	5,103	642	33,822	46,774	6,041	-14,371	-18,648	+2,812	.....	80	19,715	-811	16,879	
Buffalo Mut.	1,930	18,595	.....	936	.....	.....	-8,317	+2,002	+574	.....	.....	.....	325	100,000	
Canada Lifet.	107,351	78,400	24,013	355,185	690,993	127,867	-89,451	.....	+31,075	lg 690,000	1,618,094	179,721	7,576,268	.....	340,633
Church .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	436,388	12,829	679,633	-33,638	8,913,290
Columbia Natl.	84,158	95,970	32,398	287,936	655,813	158,028	-21,660	-15,421	.....	lm 393	152,397	24,090	622,300	-488	8,913,290
Confederation.	1,442	2,435	829	4,892	24,917	4,000	-2,738	e.....	+285	180,000	.....	.....	45,687	e.....	2,460,385
Colonial	7,276	.....	725	4,100	3,650	500	+3,231	+1,252	+4,729	.....	.....	.....	.....	.....	.....
Conn. General	782,171	1,066,024	182,820	3,341,995	5,003,462	1,508,133	-627,112	-329,068	+84,920 (1) 1,020,714	3,061,166	710,061	11,624,923	-83,167	21,951,546	
Conn. Mutual	972,711	517,135	177,026	3,755,000	5,029,838	309,365	+75,519	+108,201	+188,991	4,450,000	9,144,630	1,028,268	21,341,915	-189,912	a 16,786,344
Continental Amer.	89,947	70,359	13,535	350,912	707,842	27,638	-89,231	-96,563	+7,176	g 88,000	4,519	.....	79,951	1,189	703,998
Eastern	4,103	12,241	1,841	5,880	13,040	.....	-11,781	.....	+1,339	.....	32	1,963	21,941	77,056	.....
Equitable, Ia.	537,039	312,853	89,931	1,844,904	2,671,057	324,430	-250,428	-238,535	+103,332	2,636,702	2,749,527	498,830	8,113,240	-405,977	18,694,947
Equitable, N. Y.	9,352,338	7,956,120	1,794,218	52,763,560	53,741,586	11,423,752	-3,423,671	-3,282,662	+67,101	32,700,000	91,898,372	24,709,647	359,350,530	-3,556,980	21,129,827
Farmers & Traders.	22,772	12,831	4,001	92,038	111,810	.....	+4,391	+5,940	+9,323	.....	.....	.....	.....	606,775	.....
Fidelity Mutual	420,250	317,172	125,867	1,472,288	2,719,606	64,341	-180,165	-196,731	+22,404	1,755,823	755,116	347,912	4,529,104	-28,568	15,127,721
Guardian, N. Y.	533,692	353,911	128,405	1,923,344	3,257,338	341,063	-256,139	-229,111	+30,946	2,475,000	1,368,007	343,988	3,583,258	-71,941	14,982,530
Home Life, N. Y.	314,476	295,898	67,376	896,717	1,805,711	178,121	-77,594	-97,186	+48,067	1,560,000	1,319,312	377,171	2,993,896	-2,941	5,730,728
Imperial	2,376	3,186	646	24,897	.....	.....	-592	e.....	+565	(1) 172,745	.....	.....	.....	.....	.....
John Hancock	1,104,611	1,193,996	266,357	3,495,036	7,347,419	1,365,080	-577,763	-510,433	+391,892	8,410,501	7,093,751	1,046,093	17,82,444	-182,478	76,178,587
Manhattan	51,918	50,358	16,652	12,554	329,731	76,840	-50,110	-53,278	+8,898	4,26,301	11,416	419	283,015	-9,036	2,582,378
Mas. Mutual	1,910,284	868,373	349,648	5,866,934	8,809,682	53,124	-105,838	+15,106	+81,673	h 4,19,984	10,851,146	4,174,350	32,287,803	-184,349	30,786,645
Mas. Protective	8,763	.....	3,094	21,768	19,437	4,000	-984	-2,619	-285	.....	.....	.....	.....	119,516	.....
Metropolitan	7,562,091	8,174,872	1,117,537	13,072,536	42,990,537	12,675,883	-4,317,983	-1,663,587	+1,267,579	k 50,390,036	9,883,593	24,716,998	200,208,726	+46,740	251,739,880
Monarch	4,532	.....	918	10,243	7,102	241	-1,681	-3,129	.....	g 15,742	.....	.....	.....	112,090	.....
Morris Plan	16,099	7,317	.....	3,123	2,554	6,904	+8,782	.....	.....	.....	.....	.....	.....	34,675	.....
Mutual, Canad.	513	150	.....	2,954	.....	+160	+148	+148	+139	.....	.....	.....	.....	.....	.....
Mutual of N. Y.	4,805,929	5,702,857	1,876,861	19,467,624	67,193,742	7,887,467	-\$7,823,056	-8,998,574	+669,155	28,205,007	20,750,360	1,593,276	85,604,778	-1,853,945	50,705,301
Mutual Benefit	141,534	10,109	5,997	191,491	119,339	17,916	+70,068	+108,217	.....	13,026,078	736,098	60,657	5,901,525	-141,686	60,475,821
National of Vt.	258,119	177,241	56,843	244,999	1,707,363	116,929	-294,202	-264,970	+18,987	3,236,478	4,945,916	390,701	19,041,947	+90,888	41,596,373
New England Mut.	539,436	234,420	106,176	2,253,244	2,445,564	232,540	-214,630	-228,392	+90,874	9,715,000	7,265,416	1,115,820	17,487,020	-46,412	17,156,554
New York Life.	9,679,561	11,926,242	4,211,074	40,688,283	107,822,473	17,526,238	-10,953,753	-17,166,818	+1,475,690	45,729,510	45,300,115	5,684,286	165,393,195	-8,410,838	97,155,304
North Amer. Reassur.	33,949	72,563	12,062	16,759	375,515	116,153	-127,849	-152,434	+32,303	.....	.....	.....	1,025	.....	12,500
Northwestern Mut.	514,810	.....	190,248	938,124	1,076,226	252,541	+89,024	+58,102	.....	34,600,000	5,394,843	.....	11,012,677	-3,602	39,688,765
Paul Revere	2,898	.....	122	3,262	433	1,000	+1,108	+346	+1,660	.....	.....	.....	.....	.....	.....
Penn Mutual	1,817,386	1,044,													

March 15, 1935

Seek to Restrain Collection of Tax

Foreign Companies Operating in Cook County, Ill., Oppose Personality Levy

LENGTHY BRIEF FILED

Arbitrary Formula, Illegal Effort to Tax Capital Stock, Lack of "Situs" Alleged

Suit permanently to enjoin the Cook county (Ill.) treasurer from collecting a 1933 personal property tax amounting to about \$100,000 was filed in the circuit court Monday by counsel for 38 mutual life companies operating in Illinois but domiciled elsewhere. A similar action is being prepared by counsel for some 60 stock companies of other states, to restrain collection of \$300,000 to \$400,000 from them, and it is expected it will be filed next week in the same court.

Involves Dangerous Theory

These suits represent a test by distinguished counsel representing individual companies, the American Life Convention and the Association of Life Insurance Presidents of a dangerous principle formulated by Cook county officials in an effort to raise more money. Many months ago the foreign life companies' agencies in Cook county received assessment notices from the county assessor's office, which had evolved the theory that life insurance in force has a personality value and that a fair estimate was \$8 per \$1,000. Upon this basis, for 1933 alone, the companies which received notices would have had to pay an estimated \$2,500,000 tax.

Counsel for the companies persuaded the board of tax appeals to reduce the assessed value 80 percent, which left approximately \$500,000 tax to be paid if the tax theory were sustained.

Fear Retroactive Action

The companies are far less concerned over the payment of the 1933 tax than they are over the possible setting up of a destructive principle, and especially the probability that the tax officials would follow with retroactive action for all the years the companies had operated in Illinois. The accumulation, at interest, would be a levy so large as to wreck many companies, it is said.

The brief was filed in the name of the Acacia Mutual Life vs. Robert M. Schweitzer, county treasurer and collector, but joins the cases of 37 other mutuals. The three legal firms prosecuting the action filed and the one now being drafted are Hoyne, O'Connor & Rubinkam, Eckert & Peterson, and Scott, MacLeish & Falk.

Main Points in Brief

The brief contends that the policy values are not subject to taxation because: (1) Life policies issued by a mutual life company are not its "property" within the meaning of Article 9 of the Illinois constitution and revenue act; (2) if the policies are the company's "property," it has no situs within taxing jurisdiction of Illinois or any subdivision; (3) the policy assessments represent an illegal attempt to assess the capital stock of the foreign life companies; (4) if the policies are the company's "property" and have a situs within the taxing jurisdiction, nevertheless the method and manner of assessment was "arbitrary, discriminatory and fraudulent," and the assessment void and the taxes uncollectible.

It is pointed out that the policyholder is the owner of his policy with full power

(CONTINUED ON PAGE 22)

Commissioners' Meeting to Be Held July 9-11 in Seattle

OLYMPIC CONVENTION HOTEL

Time Changed from June to Allow Attorneys to Attend American Bar Association in Los Angeles

C. A. Gough, New Jersey deputy commissioner and chairman of the executive committee of National Convention of Insurance Commissioners, and Secretary Jess G. Read, Oklahoma commissioner, have announced that the annual meeting will be held July 9-11 in Seattle. The Olympic hotel has been selected as headquarters. Arrangements have been completed for a special train out of Chicago, to arrive in Seattle Sunday, July 7.

At the meeting in St. Petersburg last December, the annual meeting was set for June. The reason for changing to July, Secretary Read states, is to permit many insurance attorneys to attend the commissioners' meeting and the annual meeting of the American Bar Association in Los Angeles the week of July 16.

From the large number of inquiries already received by Secretary Read, attendance promises to exceed that of any meeting in the history of the organization. He states that reservations should be made direct with the hotel manager.

The governor and chief justice of the supreme court of Washington and the mayor of Seattle will be on the convention program.

Department Actuary Killed

Merlin Oates, actuary for the Texas department, who was shot to death by his wife at their home in Austin, was for two years secretary of the Capitol Life of Denver. Mr. Oates went to Denver from Texas, and soon after assumed his executive position with the Capitol. In

Is Vice-President



KARL B. KORRADY

Karl B. Korrady, who was elected a vice-president of the Illinois Bankers Life of Monmouth, Ill., this week, has been serving the receiver of the Peoria Life for some time, but will take his new position soon. Almost his entire life and insurance career up to the time he went to Peoria was spent in Chicago.

1932 he returned to Texas and became actuary.

Great Republic Life Bids

SAN FRANCISCO, March 14.—Insurance Commissioner Mitchell announced that the final day for bids for the purchase of the business of the Great Republic Life of Los Angeles is March 15.

An Analyser's Promise

A member of one of our New York City Agencies, after analyzing a prospect's various policies, had this experience:

By rearranging the interest and option settlements the existing insurance was found to be wholly adequate. When he asked his prospect for the privilege of comparing his insurance coverage with his situation, he had stated that he might find such a result, and, if he did, he would frankly say so, or if more were needed he would frankly say so. He kept his promise!

The prospect, an official of one of the large casualty companies, was so appreciative that he introduced the underwriter to his Vice President and to two close friends, and has become an active prospector for the Agent. Through one of the leads a large policy has been sold, and there is a possibility of sales to the other two.

An excellent example of the satisfaction derivable by prospect and underwriter alike from a piece of work conscientiously done, and of profit to an underwriter who kept an analyst's faith with his prospect.



THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

Philadelphia

Illinois Bankers Staff Additions

E. H. Henning and Karl B. Korrady Are Elected Vice-Presidents

RAMER MADE TREASURER

Company Intends to Be More Aggressive in Life, Accident and Health Insurance

Important additions to the official staff of the Illinois Bankers Life of Monmouth, Ill., are announced following the annual meeting this week. E. H. Henning, well known insurance attorney, was elected a vice-president and Karl B. Korrady, long and favorably known in life insurance circles in Chicago, also was named a vice-president. George F. Ramer, who has been connected with the company in the handling of investments in Chicago, was chosen treasurer.

Several Changes in Titles

W. H. Woods, president since 1903, continues in that position and Dr. J. R. Ebersole, one of the original organizers of the Illinois Bankers Life in 1897 and its medical director since that time and vice-president since 1903, was given the title of first vice-president and medical director. A. T. Sawyer, who for several years has handled the duties both of secretary and treasurer, has given up the duties of the latter office and now holds the title of secretary. B. J. Torrance, who has been with the company since its original establishment, continues as assistant secretary. Hugh T. Martin continues to hold the title of general counsel.

Davis Goes with Company

No changes were made in department heads except that O. F. Davis, formerly agency director of the Abraham Lincoln Life, which the Illinois Bankers Life re-insured on Feb. 18, has been made assistant agency director and manager of accident and health business. M. W. Hulsey continues as agency director, H. G. Sellman as actuary and A. W. Barnes as advertising manager.

The additions to the official personnel are in line with the company's announced purpose to pursue an aggressive sales policy both in the life, and accident and health fields, following the acquisition of the Abraham Lincoln Life.

Mr. Henning's Career

Mr. Henning became interested in the Illinois Bankers Life through having represented the company in various legal matters since 1930. He was admitted to practice law in 1916 in Kansas City, Kan., and continued in general law practice there until 1923 when he moved to Chicago to specialize in insurance law to which he had given special attention from the time of his admission to the bar in 1916. Mr. Henning is also planning to make his home in Monmouth.

Karl B. Korrady Well Known

Karl B. Korrady, who at the instance of Insurance Director Ernest Palmer of Illinois has been acting as insurance expert to Receiver O'Hern of the Peoria Life in Peoria, Ill., is one of the well known insurance men of the west. He started with the head office of the Illinois Life in Chicago, serving in all departments. He became agency manager, being the right hand man of R. W. Stevens. During his last 15

(CONTINUED ON PAGE 24)

Reliable Data Need in 1935

Vast Number of Rate, Dividend, Cash Value and Other Changes Detailed in 1935 Little Gem Life Chart

Reliable, detailed information concerning the many changes in rates, dividends, cash and loan values, etc., is a vital necessity to life agents this year, due to the large number of companies which made changes shortly before or at the end of 1934. For many years the business had gone along smoothly, with only occasional slight modifications of existing practices. But the declining interest yield on investments caused many companies to make changes which would result in a greater safety factor.

Few Figures Are Unchanged

Probably never before in the history of life insurance has there been the need for just such a comprehensive, complete tabulation of policy and rate particulars as is found in the Little Gem Life Chart, published by THE NATIONAL UNDERWRITER, the 1935 edition of which will be off the press in a few weeks. This will make available to agents who already are eagerly awaiting the information, concise, reliable, up-to-the-minute essential facts and figures about life insurance.

Some idea of the large number of changes made by companies may be secured from a recent check by compilers of the "Little Gem," in which it was found that only five or six companies out of 145 listed in the reference work show no rate or policy changes from practices last year. The 1935 volume, therefore, presents an almost completely new compilation.

Has Exclusive Feature

In view of the great emphasis placed in these times on investment results of companies and soundness generally, the exclusive feature found in the Little Gem, a special section presenting a five-year financial and insurance report on over 275 companies, covering some 20 significant items, is especially valuable. Another feature added this year in the above section shows the rate of net interest earned on mean invested assets,

also given for all companies over the five-year period.

A special section is devoted to annuity rates, dividends on term and paid-up policies, and industrial rates. This, due to the many changes recently made, is a valuable part of the reference book.

Every effort has been made this year to make easier the use of the Little Gem. The 1935 edition will be found to be distinctly improved from a typographical viewpoint. It is easier to read than previous editions. It is slightly larger than editions in the past.

An extremely handy feature is the "Zip-to-It" index, which gives companies' names and headings on the right and left margins of the pages, in addition to being shown at the top of the pages, thus enabling users to run quickly through the volume to the page desired merely by bending the edge slightly and letting the thumb slide over the edges of the pages as with a deck of cards until the place sought is reached.

Information Which Is Given

The Little Gem Life Chart, popularly known among all life insurance men as the "Little Red Book," shows for a typical company, a page devoted to analysis of contract, followed by rates on 10 to 25 policies, including term, disability and double indemnity rates. The cash values are shown on from four to six policies. The "Net Cost-Net Payment" illustrations follow, showing the net payment year by year for 20 years at every age for ordinary life and prominent special policies. Detailed cost summaries are given at every age. Other policies are illustrated similarly at five-year ages. Actual histories also are given with summaries.

The 1935 edition of the Little Gem sells singly at \$2, and less in quantities and at various club rates. Orders should be sent directly to THE NATIONAL UNDERWRITER, 420 East Fourth street, Cincinnati.

FIGURES FROM DECEMBER 31, 1934 STATEMENTS

Total Assets	Changes in Assets	Surplus to Policyholders	Fluc. Res.	New Bus.	Ins. in Force	Change in Ins. In Force	Prem. Income	Total Income	Benefits Paid	Total Disburs.
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Manhattan L. 19,460,013	-372,224	1,079,412	73,282	4,309,121	69,237,432	-6,888,170	1,877,171	3,162,467	2,458,774	3,361,054
Michigan L. 5,155,085	-14,248,91	1,175,240	220,000	5,581,675	27,741,008	-412,955	923,627	1,080,615	446,000	1,267,123
Prudential... 2,965,245,956 + 130,238,889	72,513,604 ^a	41,000,000 ^b	2,597,848,948 ^c	15,352,455,650 + 22,504,850	549,169,740	713,472,740	418,669,574	576,081,872		
Republic, Tex. 904,498	-44,205	166,787	25,000	3,572,660	11,993,329	-1,365,594	327,926	442,779	187,743	390,736
Unity L. & A. 632,296	+ 167,576	95,459	....	....	7,798,959	+ 1,790,171	491,542	718,348	176,224	557,972
West. R. Tex. 484,693	+ 51,721	117,882	....	2,454,231	8,032,928	+ 565,520	182,768	208,821	47,840	160,092

^aNot including \$71,782,110 excess mortality or loss in securities and \$41,000,000 reserve for fluctuations in value of and income from investments.

^bSpecial contingency reserve for fluctuations in value of and income from investments.

^cIncludes revived and increased and "net" increased group.

FRATERNALS

A. O. U. W., Kan. 4,632,211	+ 128,850	....¹	....¹	5,708,894	29,635,561	+ 237,780	963,506	1,196,213	717,015	1,072,035
Artisans L., Ore. 2,661,941	-104,671	115,977	2,486,388	2,722,015	14,316,599	+ 100,686	389,849	523,969	297,540	527,663
Ar. O. of M. P. Pa. 6,377,136	+ 239,285	....	....	4,105,000	28,617,250	-1,425,050	568,090	1,023,566	491,419	766,166
Br'hood R. T. O. 6,390,491	+ 3,537,755	371,217 ²	400,387	13,316,250	166,777,825	-3,138,925	5,946,623	6,236,855	3,804,732	4,562,097
Ben Hur Life... 9,369,326 ^d	+ 385,764	855,624	....	19,578,867	53,717,362	+ 982,089	1,558,580	2,286,263	989,981	2,813,350
Cath. O. For. Ill. 32,084,673	+ 2,707,982	2,408,777	1,250,000	9,502,205	122,677,819	+ 5,555,017	3,396,085	5,143,611	2,364,357	3,035,718
Croatian F. U. Pa. 6,612,165	+ 700,254	157,440	5,595,747	1,985,742	44,036,330	-2,168,957	1,135,053	1,664,924	765,600	948,798
Deg. H. Pr. Minn. 11,882,527	+ 662,714	....	....	63,139	45,626,513	+ 218,983	1,214,227	1,740,530	694,819	1,046,667
Equit. Res., Wis. 8,415,314 ^e	+ 140,112	426,564	374,988	3,039,880	36,158,145	+ 46,919	323,083	1,355,759	793,099	1,153,100
Gleaner L., Mich. 6,910,335	-86,308	13,112	150,000	4,030,583	39,043,624	-7,748	1,416,611	810,009	1,146,146	1,865,349
Homestead L., Ia. 4,295,050	-32,826	184,614	50,000	2,884,606	20,784,917	-1,974,599	676,618	876,070	571,823	877,952
Jr. O. U. A. M.. 5,907,766	+ 153,704	458,828	1,121,751	3,869,000	26,332,153	-1,337,664	846,761	1,079,094	590,254	950,223
Knts. of Colum.. 42,677,814	7,299,912	35,120,397 ^f	8,757,900	268,990,468	-9,334,623	3,586,962	6,342,864	2,691,733	3,988,374	
Modern Woodmen 48,352,358	+ 6,091,624	....	2,342,156 ^g	56,337,215	703,320,791-35,060,645	20,080,977	24,717,454	14,800,519	18,577,547	
N. Am. Union, Ill. 1,470,354	+ 126,670	354,768	100,000	1,388,250	10,086,035	-737,259	404,727	451,652	294,362	411,122
Natl. Mas. Prov. 1,033,612	+ 28,379	779,634	....	79,000	79,000	+ 79,000	5,697	152,491	112,964	
N. E. O. of Prot. 3,496,532	+ 308,826	....¹	....¹	196,000	12,451,686	-843,171	625,367	807,895	522,954	626,095
Praetorian... 8,159,434	+ 41,671	436,169	....	18,021,750	55,885,743	+ 3,861,437	1,070,966	1,556,755	443,981	1,510,356
Prot. Home Clr. Pa. (Adult)... 6,694,718	+ 569,030	458,957	373,000	13,452,350	50,228,060	-646,252	1,842,390	2,151,455	1,098,944	1,623,722
Prot. Home Clr. Pa. (Juvenile)... 70,443	....	9,565	17,000	3,998,500	5,470,000	+ 1,004,500	56,812	58,910	9,079	37,060
Royal Arcanum... 29,487,628	+ 838,903	....	....	6,457,750	107,329,816	-6,094,186	4,446,895	5,811,194	4,124,367	4,643,355
Royal League... 1,563,894 ^d	-160,239	....	....	35,680	18,704,508	-475,569	384,266	754,647	657,899	791,002
Secur. Ben., Kan. 9,660,245 ^e	-459,428	1,611,106	3,115,020	9,893,126	114,572,840	-48,613,893	4,087,931	4,404,280	3,504,077	4,701,611
W. Bohem. F. Ia. 5,056,981	+ 329,522	466,071	215,460	1,453,200	24,688,628	+ 543,164	557,728	819,441	329,427	456,978
Wdn. of W., Col. 13,594,382	+ 1,026,455	389,563	895,034	3,101,541	67,078,080	-4,142,301	3,071,032	3,736,233	2,407,235	2,807,375
Wdn. of W., Neb. 117,929,329	+ 8,661,755 ^f	10,014,217	13,140,090	72,916,129	411,112,616	+ 8,641,123	9,730,551	16,317,835	8,276,581	11,943,125

^aInsurance reserve liability.

^bNot available yet.

^cUnassigned; mortality and disability fluctuation reserve, \$1,078,580.

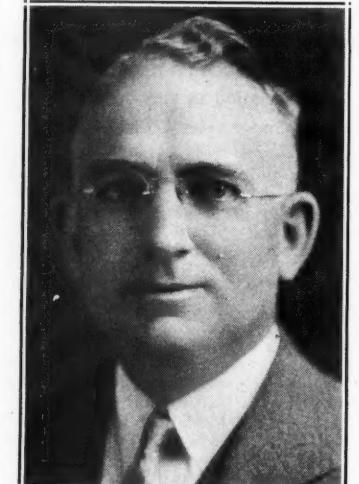
^dDec. 31, 1933 statement: Difference between book value and investment value of securities is deducted as non-admitted assets. Dec. 31, 1934 statement: Difference between book value and convention value of securities set up as a liability under the name of contingency reserve.

^eRequired and contingent reserve.

^fIncludes junior division.

^gIncludes \$2,074,410 S. B. A. Home and Hospital Assn.

New Agency Sets Record for First Year Growth



E. F. WHITE

E. F. White, general agent of the Connecticut Mutual at Dallas, Tex., has set a company record for agency growth. His agency started from scratch June 1, 1933, the company never having theretofore done business in Texas. In 1934, its first complete year, the E. F. White Agency paid for \$4,250,000 of business. The agency's remarkable growth is continuing in 1935. The first two months of the year paid for well over \$1,000,000 and showed more than 100 percent increase over the same two months of 1934.

Prohibits Investment Sale

COLUMBUS, O., March 14.—The Ohio insurance department has issued an order prohibiting life companies from furnishing insurance to investment companies to be offered to the public in connection with the sale of investment contracts. The department holds that furnishing life insurance for this purpose is in violation of the Ohio insurance laws.

Indiana Insurance Code Is Signed by Governor McNutt

CONSIDERED MODEL STATUTE

Bill Sailed Through Legislature with Surprisingly Little Opposition—Insurance Statutes Are Now Orderly

INDIANAPOLIS, March 14.—The measure recodifying the insurance laws of Indiana has been signed by Governor McNutt and is now a law. During much of the past year the insurance department and the attorney general's office have been working overtime in drafting the bill which has finally become enacted with surprisingly little opposition. A number of changes were made in the original draft as result of submission to all parties interested.

It is believed this gives Indiana one of the best codes in the country and already other states have been asking for copies. The insurance laws had attained a patchwork condition with the passage of various measures throughout the past 80 years or more. With the adoption in 1852 of the present state constitution, laws regulating insurance have been enacted by almost every session of the assembly. No attempt up to the present time had been successful in co-ordinating the various statutes.

Past Attempts Abortive

In 1873 the assembly had this matter up for consideration and again in 1883, 1897, 1899, 1901 and 1915, years in which much insurance legislation was enacted. In 1919 the measure was passed establishing an insurance department. The need for co-ordination was apparent to the first commissioner who recommended in his first report in 1921 that there be a recodification. In succeeding reports of 1922, 1924, 1925 and 1926 will be found similar recommendations. In 1929, the assembly authorized appointment of a commission for purpose of recodification. The committee was appointed but no report was received.

Commissioner McClain states that insurance is not a day-to-day enterprise and it should so conduct itself between emergencies, economic and otherwise, as to be prepared to survive them. This function of riding over and leveling out emergencies is one reason and a partial explanation as to why state regulation has become imperative.

"In normal prosperous times," he points out, "there arises the temptation to profit and speculate with funds that flow in large quantities into the companies and the compelling voice of the state is needed to stay the hand of the ordinary mortal. It is obvious that there arises the necessity of a governmental policy to supply the long range vision that carries out the principle that the regulation that is to carry insurance companies over economic emergencies is the regulation that must be enforced in periods of normalcy."

"Needless to say, the obvious question is at what points in the insurance structure should regulation be applied to effectively safeguard the public interests. These matters we list: (1) Investments; (2) valuation of assets; (3) expenses; (4) dividends; (5) policy contracts; (6) premium rates (to a limited degree). To be adequate, regulation must touch those essentials."

The act of signing the bill by the governor was accompanied by some ceremonies. Among those in the group surrounding the governor were Commissioner McLain, Herbert Luckey, general agent of the Life of Virginia, representing the Insurance Federation; Deputy Commissioner J. D. Cramer, Lloyd Thomson, actuary in the department, and State Senator A. L. Porteus, member of the senate insurance committee and vice-president of the Indianapolis Life.

C. G. Magner, superintendent of the Prudential in St. Louis, completed 30 years of service.

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FINANCIALLY INVULNERABLE

THE WESTERN AND SOUTHERN LIFE INSURANCE COMPANY

CHARLES F. WILLIAMS, President

A Human Institution Serving Human Needs

Financial Statement -- December 31, 1934

ASSETS

Home office building and properties	\$ 897,000.00
City real estate, exclusive of home office	10,979,472.26
Farm properties	1,293,288.90
First mortgage loans on city property (All loans limited by law)	76,096,028.97
First mortgage loans on farm property (to $\frac{1}{2}$ of appraised value)	987,218.41
Policy loans	8,596,973.70
United States Government bonds	24,819,454.29
*Municipal and Home Owners' Loan Corp. bonds	7,629,993.03
Ground rents	1,265,000.00
Cash	1,198,532.66
Net uncollected and deferred premiums	1,645,359.76
Other admitted assets	<u>1,655,354.86</u>
Total	\$137,063,676.84

*Delinquent interest December 31, 1934, only \$2,711.50. (This delinquent interest since paid in full.)

LIABILITIES

Reserve for protection of policyholders	\$ 112,075,516.59
Premiums and interest paid in advance	475,724.34
Taxes (1935) and incurred unpresented items	2,192,010.82
Borrowed money	None
Capital	10,000,000.00
Surplus	<u>12,320,425.09</u>
Total	\$137,063,676.84

INCREASE IN ASSETS DURING 1934	\$ 5,364,060
INCREASE IN INSURANCE IN FORCE	\$ 32,450,043
TOTAL INSURANCE IN FORCE	\$680,813,279
TOTAL POLICIES IN FORCE	2,341,896

THE WESTERN AND SOUTHERN LIFE INSURANCE COMPANY

Home Office -- Cincinnati

Notable Speakers at Sales Meeting Held in Cincinnati

NATIONAL ACTIVITIES TOLD

Riehle, Simon, Anderson, Van Schaick, Bowen on Interesting Tri-State Congress Program

Over 225 persons attended the tri-state sales congress sponsored by the Cincinnati Life Underwriters Association Tuesday. T. M. Riehle, president National Association of Life Underwriters, spoke on "Your Place in the Business Recovery," predicting bright future for life agents who will plan their work. He said the National association soon will announce a practical financial philosophy for life insurance men, designed to make agents financially independent of the business at retirement age.

He said legal reserve life companies are not great rich institutions but merely act as trustees for 63,000,000 people in the United States. Despite the depression, the life companies have increased assets \$900,000,000 in 1934 and over four billions in the past five years. They have paid \$15,700,000,000 to policyholders in the last six years. President Riehle said 1934 was the first year of recovery and he predicted a much better year in 1935.

Tells of Meeting Objections

G. W. Isgrig, Guardian Life, Cincinnati, spoke on "A Million Objections," demonstrating how he meets various objections. Life insurance methods always have kept abreast of experience, said Superintendent G. S. Van Schaick of New York over the long distance telephone. Good will can exist only so long as the public is given adequate safeguards. Life agents must keep abreast of the times to retain good will of policyholders.

"Business insurance protects companies against economic loss, and guarantees the profits of business," said Leon Gilbert Simon. "It acts as a stabilizer of credit." He stresses that the prospect will be able to take over the business at the death of his partners, but does not stress death benefits. The idea of survivorship and ownership helps the sale, he said. In a survey of businesses in New York City by three companies, it was found that the average business insurance case is only \$4,100, smaller than generally supposed.

Urge Written Agreements

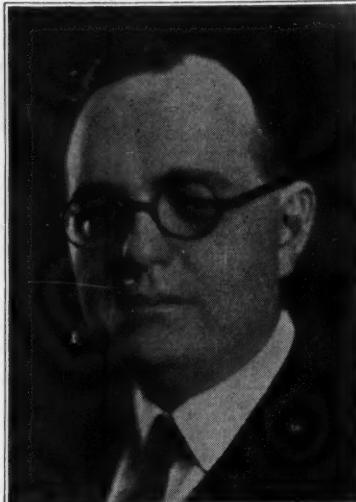
Mr. Simon said that the agent must sell the idea of having written agreement. Courts have held that if there is an oral agreement, the word of the survivor must be taken unless there is evidence to the contrary. He said the agent should show the tremendous losses on verbal agreements. The need for business insurance increases in inverse ratio to the number of persons involved. Each individual has proportionately a large responsibility when a small number operate the business. Where there are many stockholders, the deceased's share may be more readily absorbed.

Mr. Simon believes that all the facts should be placed before the prospect, who likes to make his own decisions, and if he has all of the facts seldom will act contrary to the agent's wishes.

C. V. Anderson, past president National association, discussed the Curtis Publishing Company survey. He said the opportunity is greater than ever to make a living in life insurance. He discussed the new treasury department regulations 86 in regard to taxation of life insurance.

In his talk, "What's Ahead," Mr. Anderson said that replies from 67 companies to a questionnaire he sent out recently showed that only 10 percent of agents pay for \$100,000, which he figured would give an average income of

Now in New Field



S. E. ALLISON

Interest is taken in the advancement of S. E. Allison, vice-president and actuary of the Pan-American Life, to vice-president in charge of Latin American and West Indian agencies. He will have charge of all business in Central and South American territories and the West Indies, where agencies are now maintained in 17 countries, lately including Mexico, in which country the Pan-American has just qualified. Mr. Allison has just returned from several weeks in Mexico, where he completed negotiations for licensing. He arranged for establishment of a branch office in Mexico City under C. S. Foy, who has been general agent for the company in Porto Rico.

Pending appointment of a successor to Mr. Allison as actuary, Edward F. Holtzman will be acting actuary.

\$2,330 per year, with renewals, over a ten-year period. There are 243,000 licensed agents, he said. If the agent is not income conscious, he will not succeed.

Insurance Superintendent R. L. Bowen of Ohio told of the work of the department and the efficiency and effectiveness it would attain with the increased appropriation. There are 226 Ohio companies, most of which are in good shape, he said. There are 110,000 agents in the state.

Speaking on "Ten Tremendous Trifles," S. G. Dickinson, Hartford, Conn., said success is a matter of little things. Life agents must understand their job. They must have the necessary number of appointments each day. An average of 15 persons a week who know the agent is coming to see them to sell some more life insurance is a requisite for the successful agent, he said. He advised sending prospects clippings daily about their interests. Sell desires rather than life insurance; be enthusiastic for life insurance, he advised. Study conscientiously and develop a vocabulary of strong words.

Mr. Anderson pointed out that if the desire for additional insurance as expressed in the Curtis survey were applied to the country as a whole, there would be a potential 360 billions in force instead of the present 100 billions.

New 25-Year Recruit

L. E. Gillespie, treasurer and auditor of the Guarantee Mutual Life of Omaha, is the third "recruit" to join the "Quarter Century Club" of the home office staff. Preceding him were C. R. Connolly, advertising manager, who entered his 25th year with Guarantee Mutual in January. Heading the list of 25 year men is J. C. Buffington, president.

Mr. Gillespie joined the company as

Women's Clubs Are Showing More Insurance Interests

MRS. FORD TELLS ABOUT WORK

President of the League of Insurance Women Speaks of Results of Meetings

NEW YORK, March 14.—Women's clubs are showing an interest in life insurance that is genuine and far less prejudiced than in the past, according to Mrs. Kathryn Ford, president of the League of Insurance Women. The league is active in promoting life insurance by addressing gatherings of women's clubs.

The open forum feature of such meetings brings out many questions that show the need of further education, Mrs. Ford has found. Few women know the difference between ordinary life, 20-payment life and 20-year endowment policies. At a recent meeting only two out of 68 knew what a contingent beneficiary is, or the importance of specifying one. Many thought there is only one kind of annuity—the single premium type on which there is no refund in case of the death of the annuitant.

Other questions concerned the advisability of surrendering a policy because it was "out of date"—unconscious evidence of some twister's attempts; what to do if a policy has gone five days past the grace period; how companies can guarantee 3 percent interest; how to estimate how much insurance is needed; the implications of the social insurance program.

The league is planning to ask that in the future questions be written out, so that the best possible answers for each one can be compiled.

Ray Murphy Is Appointed As Commissioner in Iowa

DES MOINES, March 14.—Ray Murphy, Ida Grove, Ia., has been named insurance commissioner of Iowa by Governor Clyde L. Herring. Mr. Murphy, a Democrat, succeeds Commissioner E. W. Clark of Mason City, a Republican, on July 1 next.

Mr. Murphy at present is chairman of the state board of assessment and review, a unit of state government corresponding to a state tax commission.

He was prominently mentioned last summer for the post of commander of the American Legion at Miami, Fla.

The salary of the insurance commissioner in a pending bill in the legislature is fixed at \$4,000 a year, a cut from \$4,500 formerly paid.

The appointment of Mr. Murphy must be confirmed by the Iowa senate in executive session.

In announcing the appointment of Mr. Murphy, Governor Herring urged that higher salaries be paid appointees in high state office, which by inference is taken to mean the office of insurance commissioner in addition to other offices.

YETKA IN OFFICE MARCH 18

ST. PAUL, March 14.—Frank Yetka will assume the post of insurance commissioner of Minnesota about March 18, succeeding Garfield W. Brown. Dewey Johnson, former legislator of Minneapolis, will become deputy commissioner.

Mr. Brown announced that he will engage in the practice of law in St. Paul, specializing in insurance matters.

a bookkeeper in 1910 and in 1913 he was made auditor and in 1932 he became treasurer. He was elected a director in 1919 and has been on the board since.

LEGISLATIVE DIGEST

Legislatures in Indiana, Wyoming, New Mexico, North Dakota, South Dakota, West Virginia and Kansas have adjourned. New York body expects to adjourn March 22.

New York—Bill creating a commission to investigate and examine the New York insurance laws and to report on comprehensive recodification by March 1, 1936, has been introduced in the assembly by E. S. Moran, Jr., chairman insurance committee. Expense money of \$15,000 provided. * * * Senate passes bills (1) amending law valuing assets by striking out provisions that purchase price of bond or other evidence of debt amply secured and not in default shall be deemed to be value of securities. (2) prohibiting the reinsurance of more than 50 percent of outstanding risks without insurance department approval.

The assembly insurance committee reports on bills: (1) allowing trustee or guardian to leave funds with the companies as investments; (2) companies to purchase new property in efforts to reduce real estate holdings. * * * Bill introduced providing no life company shall grant a pension to any officer, director or trustee exceeding \$2,400 a year. * * * Another bill provides no life company shall reject applicants for a policy solely by reason of race, color or creed of applicant.

Minnesota—Senate sitting as committee of the whole recommends passage of bill empowering insurance department to take over for rehabilitation insurance companies in weakened financial position. Sponsored by insurance department.

Michigan—Senate advances to final passage bill providing that issuance or delivery of life policies constitutes prima facie evidence of the good health of the assured as of the date of issuance. B. E. Shepherd, actuary Association of Life Presidents, is in Detroit and Lansing opposing the bill.

South Dakota—House kills bill prohibiting use of rating literature.

Oklahoma—Three bills sanctioned by Commissioner Jess G. Read presented in lower house: (1) Gives insurance commissioner control over receiverships and liquidation of insolvent insurance companies, associations, etc. Patterned after New York law. Similar bill passed in 1933, but was vetoed by governor. (2) Prohibits life companies, mutual aid associations, fraternals, etc., from placing policyholders or members into divisions with special benefits to oldest member or holder of oldest policy. (3) Requires paid up capital stock of \$50,000 instead of present \$50,000 subscribed and \$15,000 paid up for stipulated premium companies. Commissioner must approve all types of promissory forms of contracts. All three bills carried the emergency clause.

Insurance Commissioner Jess G. Read sponsors bill providing for insurance department control of receivership and liquidation of insolvent companies in house bill.

Nebraska—Nebraska Association of Life Managers backed bills advanced. Senate passes bill increasing minimum capital for domestic stock companies, increasing from 200 to 500 the number of advance applications, which in case of life companies, must total \$1,000,000 with all premiums fully paid. House not yet acted on measure. * * * Bill increasing amount that may be written on lives of juveniles and permitting person over 14 to contract for policy, passes senate and has been recommended by house committee for passage. * * * Senate passes measure requiring approval of state insurance director to all proposals for issuance of stocks or bonds by newly organized life and accident companies.

* * * Senate passes bill increasing insurance department fees slightly. To be used for supervision costs.

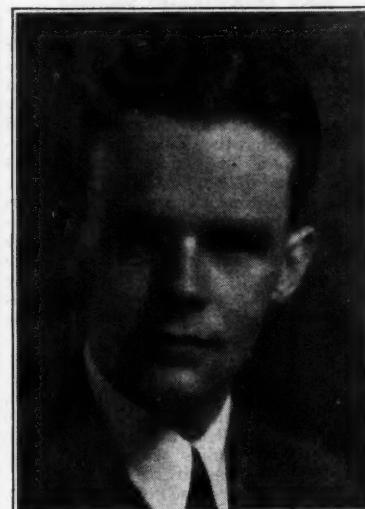
Need for Services Seen

Changes in Life Insurance Rates, Dividends, Annuities, Etc., Will Make Reference Books on Companies Very Valuable

L. H. Martin of the Cincinnati office of THE NATIONAL UNDERWRITER, who is head of its book department, declares that owing to the many changes in rates, values, dividends, etc., of a number of companies, there will be a complete new setup in statistical information furnished by the "Unique Manual Digest" and the "Little Gem Chart." These are the two foremost books of their kind. The "Little Gem Chart" is put out in vest pocket size, covering a certain number of companies and is intended for convenient use of life men. The "Unique Manual Digest," which gives information regarding all companies, is a larger book and is used as a reference work. It is very comprehensive.

Many Changes Are Seen

Mr. Martin, in commenting on the situation, said: "No one who is not directly working on the statistics and material that go into the 'Unique Manual Digest' and 'Little Gem Chart' has any comprehension as to the manifold changes that have been made. There is scarcely a company but what has made some sort of a change, either increased its rates, made new surrender charges, changed its dividends to policyholders, retired some contracts, changed annuity rates, introduced new forms, etc. Altogether agents will find that unless the books are in their hands this year they will not have proper information to present to policyholders and prospects. They cannot rely on their old books except for information referring to past years. Therefore, it would seem to me that every man who is selling life



L. H. MARTIN

insurance needs to have these service books at hand.

"In view of the fact that many changes have been made, we are putting forth every effort to get them out promptly so that there will be as little delay as possible. I cannot see how any agent can perform without these service books. The successful agent today needs every possible help to aid him in securing business. The more intelligently he can use his material, the greater impression he leaves on his clients."

Frazier-Lemke Act Again Upheld by Federal Court

SOUTH BEND, IND., March 14.—Constitutionality of the Frazier-Lemke bankruptcy amendment was upheld by the federal district court for the northern district of Indiana, Judge T. W. Slick sustaining the contentions of debtors in four cases that had been combined. Judge Slick cited that the act had been upheld by eight federal district courts and by one circuit court of appeals while two district courts held it unconstitutional.

Many Cases Coming Up

There are 29 cases pending in the northern Indiana district brought under the act. Judge Slick stated the prospects are good for the filing of 85 more within a short time.

The suits on which he ruled involved injunctions against sheriffs to prevent them from delivering deeds after the year of redemption had expired, under foreclosure proceedings brought by the Lafayette Life, John Hancock Mutual Life and other insurance companies and private creditors.

IMPORTANT MISSOURI RULING

Farmers must elect whether they take bankruptcy under the old laws or the Frazier-Lemke act, Judge M. E. Otis of Kansas City ruled in the case of W. O. Henderson, a farmer of near Hamilton, Mo. The Midwest Bond & Mortgage Company and the Bankers Life of Lincoln, Neb., opposed Henderson's action. The judge ruled a farmer may not file under the old law, be adjudged bankrupt and then avail himself of the Frazier-Lemke act. Representatives of life companies have contended that many farmers have sought to force reduction of their debts or delay payment by filing voluntary bankruptcy proceedings under the old laws and later petitioning to come under the new act. The Frazier-Lemke law requires that a

Paid-for Business in 1934 in Canada Gains 3 Percent

OTTAWA, ONT., March 14.—Approximate figures on the results in Canada for 1934 have been compiled by the Dominion department from the annual statements submitted by the companies.

Life insurance written and paid for in Canada in 1934 was \$596,062,050, an increase of 3 percent over the 1933 figure. Ordinary amounted to \$432,098,908, industrial \$144,031,679 and group \$19,931,463.

The total net business in force in Canada Dec. 31 was \$6,220,208,626, a decrease of 0.4 percent for the year. Of this amount \$4,139,410,549 was carried by Canadian companies and \$2,080,798,077 by British and United States companies.

The total net business in force in Canada of Canadian fraternals was \$116,738,500 and of foreign fraternals \$50,820,890, a total for fraternals of \$167,559,390.

Oppose Tax Increase

SAN FRANCISCO, March 14.—More than 100 prominent California policyholders have issued a protest against the proposed increase in tax on gross premiums from 2.6 to 4 percent. The protest states that upon the basis of the 1933 receipts of companies carrying 90 percent of the legal reserve life insurance, the proposed 4 percent tax on the gross income of these companies, less dividends, and with a credit for real estate taxes paid, would be the equivalent of 26.84 percent of their net income.

debtor attempt before availing himself of it to propose a settlement to creditors, but it is said by taking bankruptcy under the old laws debtors have been attempting to coerce such a composition on a reduced basis.



Plate No. 5, "Grave of Nancy Hanks Lincoln," from "ABRAHAM LINCOLN—BIOGRAPHY IN WOODCUTS." Reproduced by permission of Charles Tursak, Chicago.

DETERMINATION

SUBMERGED in sorrow and depressed in gloom by all that constitutes a pioneer burial, beside his weeping sister he kneels down, to consecrate with tears and promises, the grave of "Angel Mother."

Disasters occur in the experiences of all. They leave one bruised and hopeless or they serve to stimulate a determination to rise above all calamities. Lincoln once gave this valuable advice to a youth, which might be heeded by those who have become depressed: "Let no feeling of discouragement prey upon you, and in the end you are to succeed."

The Lincoln National Life Insurance Company

FORT WAYNE, INDIANA

ITS NAME INDICATES ITS CHARACTER

Another Bill to Curtail Unlicensed Operators Up

FARLEY APPROVES MEASURE

Would Bar Mails to a Concern in Any State in Which It Is Not Licensed

A bill making it unlawful to solicit or effect insurance or collect and transmit premiums in any state without complying with its insurance laws has been introduced in the house by Congressman Hobbs of Alabama. It has been referred to the committee on post office and post roads.

It excepts renewal premiums on life insurance and accident and health contracts, and does not apply to newspapers, magazines or periodicals, or to contracts of reinsurance.

It has the approval of Postmaster General Farley who states that his department favors enactment of such legislation.

Prosecution Now Difficult

He advises that the experience of the department has shown that the investigation and prosecution, under the present postal fraud statutes, of concerns and individuals conducting from one state through the mails in other states, questionable insurance enterprises is a difficult task. He says that without a doubt a great many people are victimized annually.

He states that by comparison with a bill along the same general lines previously approved in principle by the department, he finds this bill would afford a more simple and direct method of accomplishing the purpose of prohibiting the use of the mails to insurance companies soliciting business in states where they are not authorized to operate, thereby evading the state laws which provide for the protection of policyholders within those states.

Among the national organizations which, by resolution, are on record as favoring the movement to curtail the operations of unauthorized carriers by federal legislation prohibiting to them the use of the United States mails, are the National Convention of Insurance Commissioners, National Association of Insurance Agents, International Association of Insurance Counsel, Insurance Advertising Conference, National Association of Casualty & Surety Agents and American Association of Insurance General Agents.

HEARING HELD WEDNESDAY

WASHINGTON, March 14.—Approval of the Hobbs bill by the post office department was voiced by Postmaster General Farley in a letter to the house post office committee placed in the record at a hearing on the measure by a subcommittee Wednesday.

Farley made it clear the department preferred this measure to the bill introduced in January by Congressman McSwain which would prohibit the use of the mails or any other agency of transportation to insurance companies unless and until they secured a license from the secretary of commerce.

If the bill should be limited to apply solely to the use of the mails, it was held, the licensing should be handled by the post office department, but this would entail the creation of a bureau of actuaries, accountants and other officials whose duties would to some extent conflict with the insurance agencies of the states, it was pointed out.

"It appears that a similar and more effective method of accomplishing the purposes of the bill would be to make it a penal offense for an insurance company in one state to use the mails in the sale of its policies in another state in which it is not licensed to do business," Mr. Farley said.

Declaring that the measure follows the recommendations made last December at the insurance commissioners' con-

Florida Bond Situation

Brighter Tone Is Seen But Schemes of Politicians Confuse the Picture

JACKSONVILLE, FLA., Dec. 13.—The Florida bond situation as regards insurance companies is said to be assuming a brighter tone with the increased prosperity of the state although Florida bonds are still one of the worst items which are encountered in the investment field.

It is estimated that there are over half a billion dollars worth of Florida bonds—municipal, county, road and drainage—outstanding, and some of these are practically valueless. While a rough estimate by a Florida authority places the amount held by insurance companies including fraternal orders at one-half the total, or say \$250,000,000, there are of course some good bonds in Florida and the insurance companies' holdings of these good bonds are in very much larger proportion to the whole than that of other owners. At one time the total market value of these Florida bonds was much lower than it is now but even with better prices it is estimated that the present market value is not more than one-third of the total, or \$165,000,000 as against the face value of a half billion. These are only rough estimates of a financial man who is, however, well posted on the Florida situation.

No Reorganizations Completed

It has been expected that the new federal law permitting municipalities to compromise with the holders of their bonds at an amount which the city or town is able to pay, provided a certain percentage of the bondholders representing another certain percentage of the bonds agreed, would help to clear up the situation and get Florida municipalities back on a sound basis but the fact is that not a single Florida municipality has yet been able to take advantage of this law, although several cases are in negotiation. One complaint is that the legal expenses and those of the various bondholders' committees are so great as to scare off many bondholders from going into the agreement. Florida is a state of politicians and of lawyers who are after fees, the result being that many bondholders are shy about having anything to do with local movements organized with a view to bring-

ing some of the bond situations to a head.

One favored device practiced all over Florida, after it was seen that taxes would not be paid and the bonds would go into default on interest, was for the politicians to combine with the bondmen and after the bonds had been depressed to a low value, say 10 or 15 cents on the dollar, buy them up quietly at this figure, whereupon the politicians would do their part and pass local ordinances providing for the acceptance of bonds in payment of taxes. Of course when the taxpayer came to buy the bonds for the purpose of paying his taxes he had to pay several times the amount originally paid by the speculators.

The municipal bond situation in Florida will take a long time to clear up, under any circumstances, some say 20 years, and it will be a long time before insurance companies will be ready to back any but the strongest municipalities in the purchase of their bonds. Some companies of course are hit worse than others, both in the amount and in the selection of bonds purchased. Several fraternal orders have been badly hit, and this is natural because the fraternals have gone in for municipals more than any other class of insurance company.

Some of the bond houses in Florida specialize to a certain extent in servicing the insurance companies. One favored plan is to combine a good bond and a poor one at a fair average price for the two and offer interest bearing railroad or other corporation bonds selling in the market at well below par in exchange. There is a good deal of bargaining back and forth on Florida municipal bonds and various combinations are offered by the local brokers to the companies either directly or through their own home brokers in the hope of making a trade. A Florida broker will write a brokerage firm in the town where the insurance company is located and name a minimum price to the broker on various combinations: it is then up to the broker selling the insurance company to get as much above the minimum as he can.

vention, J. A. Marshall, superintendent of insurance for the District of Columbia, explained there was "no thought in the minds of the commissioners to work a hardship on any organization working in good faith," thus meeting complaints from religious and other organizations that it would affect their pension plans.

"We feel that conditions in the life insurance field have reached a stage where we are compelled to ask for help," Mr. Marshall commented.

Joining with representatives of the religious organizations was the American Association of Railway Executives. These witnesses explained that the bill might seriously affect pension plans but were assured by the committee that the measure would be amended to protect them.

The subcommittee will meet again March 18, at which time representatives of a number of insurance companies are expected to appear.

Fisher "Ad" Meet Speaker

L. L. Fisher, advertising manager Lincoln National Life, will speak on "Coordinating Direct Mail and Outdoor Advertising," March 18, in connection with the 1935 Direct Mail and Graphic Arts Exhibit sponsored by the Advertising Club of St. Louis. D. J. Murphy, director of publicity and advertising General American Life, is general chairman.

Modern Woodmen Offering New Reinforcement Privilege

The Modern Woodmen is making a drive to secure reinstatement of current cost members who are in arrears by offering to waive all arrearages if certificates are exchanged for any level rate form at the rate for attained age. Medical examination will be waived except on term. Members under 60 suspended for less than a year may take advantage of the offer, but a six months limit is placed on those over that age.

Figures for This Year

January production is reported to have been 2,667 certificates issued, 891 of which were exchanges, for \$3,272,000 life, \$1,172,000 double indemnity and \$34,500 limited accident.

Chairman Bullard of the finance committee reports all assets invested in government, state and municipal bonds. Of the \$38,652,000 held none is in default as to interest or principal. Government bond investments increased from \$645,000 to \$1,372,000, state bonds from \$7,708,000 to \$11,165,000 and municipals from \$24,463,000 to \$26,114,000 in 1934. Nearly \$6,000,000 was so invested in the year. Interest collections were \$1,659,000, an increase of \$300,000, he stated.

Helser Resigns as Head of American of Denver

PROBE NOT YET COMPLETED

Insurance Commissioner Cochrane of Colorado Is Under Fire in the Senate Investigation

DENVER, March 14.—Interest in the investigation of the insurance situation in Colorado, brought about as the result of the American Life scandal, was given new life with the announcement that C. W. Helser, president of the American Life, has resigned, and that the senatorial investigating committee has been considering the recommendation that Jackson Cochrane be asked to resign as insurance commissioner.

Mr. Helser's resignation was made unexpectedly, but there had been reports concerning the suggestion for appointment of some disinterested person as general manager. The company has no general manager at present.

Mr. Helser is under five county grand jury indictments returned as the result of the alleged fraudulent purchase of the American Life last year.

Not Quitting Under Fire

Mr. Helser denies that he is quitting under fire, reiterating his belief that his resignation is for the best interests of the company. During the height of the grand jury investigation, stockholders held a meeting for the election of officers, but this was postponed until the middle of April. It is reported that Helser and A. R. Seebass, who is also under indictment, control more than half the capital stock and that a vote of confidence was given to Mr. Helser and his associates by stockholders at their February meeting.

It has also been indicated that election of a new president will not be made until the April meeting.

The senatorial investigation committee's reported recommendation concerning Mr. Cochrane's resignation was a surprise in the sense that it came before many expected it. There have been rumors for some time concerning the fact that the investigation would sooner or later reach the point where Cochrane would be the focal point of the committee's efforts. The disclosure was made after another of the committee's secret sessions, held last week.

Indication has been given that, while the senatorial investigation, held behind closed doors, has been reputedly directed toward learning the operation methods of so-called "mutual benefits," considerable important or startling information on other points has been unearthed but is being kept to the committee until the probe is completed.

Pointer to Get Denver Post

DENVER, March 14.—T. S. Pointer, an agent here for the Penn Mutual Life, has announced his appointment as general agent of the Home Life of New York. He succeeds A. A. Butler. Mr. Pointer will leave within a few days for New York City, returning here in a short time to assume his new duties.

Olson on First Tour

A. B. Olson, manager of agencies for Guarantee Mutual Life of Omaha, is making his first tour of some of the major offices of the company since assuming his post in January. He will visit the Chicago, Detroit and Cleveland branches. He will be gone about ten days.

Slovak Society on Air

The National Slovak Society of Pittsburgh went on the air recently over station KQV in a membership campaign. Slovak melodies were featured in a musical program and folk songs were sung by a male choir.

RECORDS

Connecticut Mutual Life—Paid for business in February showed a 36.3 percent increase. Ahead 35.2 percent for year to date with 63 out of the 68 agencies showing gains.

Reliance Life—New life insurance placed in force during February totaled \$3,522,520, an increase of 38 percent. New accident business increased 22 percent. In the first two months new paid life insurance amounted to \$7,401,223, an increase of 49 percent.

North American Life, Chicago—Written volume increased 120 percent in February, "Founders Month," in drive for J. H. McNamara, chairman of the board, whose birthday was March 8, and honoring the company's birthday, Feb. 4. Substantial increase also in January.

Columbian National Life—Issued business for first two months increased 45 percent, paid business gained 40 percent.

Columbus Mutual Life—February issued business increased 23 percent. Definite decrease in cancellations due to lapses and surrenders. Cancellations in February down 30 percent, in January 26 percent.

National Life, Ia.—Sales gained 30 percent in January. February was the 20th consecutive month increase has been shown.

Business Men's Assurance—Combined life, accident and health insurance production for February increased 21 percent.

H. A. Hedges, Kansas City, Mo.—Equitable Life of Iowa—Led all of company's agencies in February; 19 percent increase in paid business for year to date.

Willard Ewing, Kansas City, Provident Mutual Life—Broke all records of written and paid business during February. Agency is 100 percent ahead for year.

Judd C. Benson, Kansas City, Mo., Union Central Life—Increase of over 100 percent. Tendency away from annuities toward general life forms reported.

Cramsie-Landt & Co., general agents Northwestern National Life, Chicago—Took ninth place country-wide among the company's agencies in February, the best month's production since taking representation of the company several years ago.

Pittsburgh—Statistics compiled by the bureau of business research of the University of Pittsburgh shows gain in paid business of 28 Pittsburgh agencies from \$11,353,000 in December to \$12,446,000 in January, gain 9.6 percent. This is the first time in six years that the volume increased in January over December.

R. L. Thomas, Dallas, Fidelity Union Life—Led the entire field force of the company in 1934.

Los Angeles Agency, Bankers Life, Ia.—February production big increase over January, when 45 percent gain was made. Campaign being held in March in honor of W. F. Winterle, superintendent of agencies, who will visit Los Angeles.

Arthur J. Hill, California, State Life of Indiana—60 percent gain in production in February.

Kellogg Van Winkle, Los Angeles, Equitable Life of New York—Gain of 28.9 percent in paid business in January, with more than \$4,000,000.

Wilmer M. Hammond, Los Angeles, Aetna Life—Gain in paid business to March 1 of 27 percent.

J. H. Cowles, Los Angeles, Provident Mutual Life—January and February gain of 150 percent in submitted business.

D. G. Neuber, Detroit, North American Life of Canada—January and February paid increase 238 percent, largest in history.

John Bullard, Michigan, Reliance Life—January and February written business increased 47 percent.

Nathaniel Reese, Detroit, Provident Mutual Life—Ranked second to the home office agency in paid for business for January. February written volume largest in history with a total of \$1,700,000.

C. F. Schuster, Kansas City, Mo., John Hancock. Increase of 56 percent in paid production in 1934. January 200 percent increase over best previous Jan-

uary in the agency's history; February about 100 percent more than in any previous February.

Morton & Morton, St. Louis, Connecticut Mutual Life—Produced \$1,125,000 in new business in February. January and February production 400 percent ahead of 1933.

Uphold Moratorium Law

Iowa's new moratorium law was upheld in Sioux City, Ia., district court when Judge Wakefield overruled the John Hancock Mutual Life's resistance to extension of time to Adolph A. Karrer, Lawton, Ia., farmer. Karrer has been a farm tenant since the John Hancock obtained a \$14,000 judgment against him. The company resisted the extension on the ground Karrer had not paid part of the cash rental. Instead of the cash rental increase demanded by the company, District Judge Wakefield reduced the amount and left the crop rental unchanged.

Arrest Unlicensed Agent

A. L. Spence of Elkhart, Ind., has been arrested and turned over to the sheriff of Steuben county at Angola, to answer charges of allegedly misrepresenting himself as an insurance agent. Spence had operated in Angola, Kendallville, Bluffton, Auburn, Pleasant Lake, Terre Haute and many other Indiana cities and towns. It is charged that he solicited advance premium payments for life, fire and health and accident policies which were not delivered. His chief activities are said to have been among teachers, beauty-shop proprietors and professional women. He used the names of J. L. Barry, O. L. Speas, George W. Stone, C. O. Sims, G. R. M. Smith and C. A. Lewis.

Warns Against Benefit Outfits

"Better Business News," a new publication of the National Better Business Bureau, contains a warning against insuring in post mortem assessment associations. The bargains which such concerns claim to offer, according to the bureau, may be extremely costly in the long run. The member has no assurance that his beneficiaries will receive the amount he thinks he is providing. They do not build substantial reserves with which to pay claims. Very often less than 10 cents on a dollar has been paid. Many loopholes are in the contract and the policyholder who is treated unfairly, has little recourse, because the associations are not likely to be licensed.

Aid Societies Elect

The first annual convention of the National Association of Mutual Societies was held at Lafayette, La., and the following were elected directors: M. C. Hendershot, South Bend, Ind.; E. E. Selby, Willow Hill, Ill.; Floyd Ford, Denver; K. C. Scheib, Chicago; R. W. Nauert, Rockford, Ill.; G. H. Cottrill, Houston, Texas; Zeb Freeman, Dallas; T. H. Westbrook, Dallas; Alfred Holzman, Wilmington, Del.; L. O. Napier, Chicago; A. C. Littlejohn, Springfield, Ill.; W. H. Lemons, San Francisco; D. J. LeBlanc, Lafayette, La.; Lynn Waggoner, Rockford, Ill.; T. W. Bachus, Shreveport, La.; J. W. Patterson, San Angelo, Tex.; J. C. Kuykendall, Pensacola, Fla.; J. L. Beasley, Denver. Officers were chosen at the organization meeting in Chicago in January.

Speaks at Los Angeles

James Mussatti, executive secretary California Taxpayers Association, spoke to the Los Angeles C. L. U. chapter on "California Taxes." He covered proposed taxation measures which are to come before the California legislature with reference particularly to the contemplated expenditures of funds derived from such taxation.

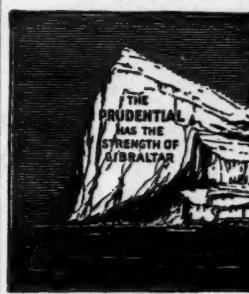
Twenty assorted 8½ by 11 inch selling sheets—diagrams, pictures and illustrations—from the **A. & H. Bulletins** will be sent to you for 50 cents. Address 420 E. Fourth St., Cincinnati.

\$162,724,005 Paid in 1934

This vast sum of money was paid out by The Prudential alone on claims maturing during the year.

These funds were utilized by the beneficiaries for various purposes and were a significant factor in relieving distress, and otherwise contributing to the welfare of the recipients.

Another evidence of the service the Life Insurance salesman gives his community.



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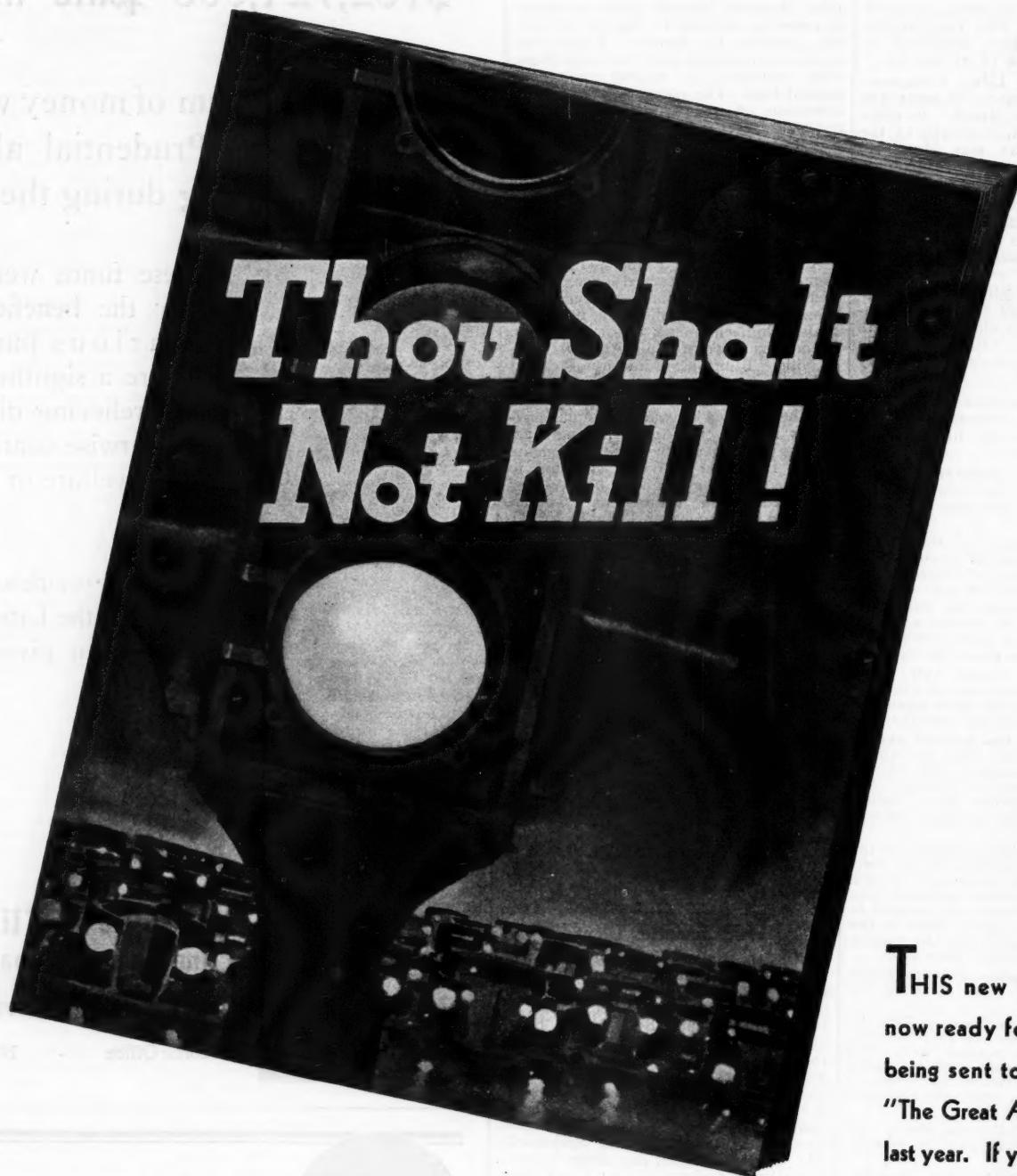
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A Book that *Thousands* A



THIS new 56 page book is now ready for delivery and is being sent to all who received "The Great American Gamble" last year. If you were not on the list and would like to be added, please send in your request now. Orders will be filled as quickly as possible and as long as the supply lasts . . .

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THE TRAVELERS

Ask For Every Year



MARLEN E. PEW
Editor of
Editor and Publisher
and The Fourth Estate



EDDIE CANTOR



LIEUTENANT KREML

THE latest and the most comprehensive annual publication on automobile accidents and their causes, is now announced by The Travelers Insurance Company of Hartford, Connecticut.

Ways to prevent automobile accidents and, therefore, fatalities, are emphasized and made forceful by means of unusual photography, paintings and drawings prepared especially for this study by prominent artists and cartoonists. Those who read or glance through the 56 pages of this booklet cannot help but be impressed by the completeness and sincerity of this effort to reduce the frequency of automobile accidents.

A discussion of the seriousness of the country's problem of automobile accidents is presented in this booklet. Among the contributors are Marlen E. Pew, editor of Editor and Publisher and The Fourth Estate; Eddie Cantor, who has made frequent appeals in behalf of street and highway safety, and Frank Kreml, lieutenant of the Evanston (Ill.) police department and director of that city's successful accident prevention bureau. Another commentator is Howard Brubaker, a regular contributor to the New Yorker.

"Unavoidable accidents," writes Mr. Pew, "are bad enough, but the ever rising tide of death and injury which traces directly to individual irresponsi-



Idiot—I had the right of way and you know it!

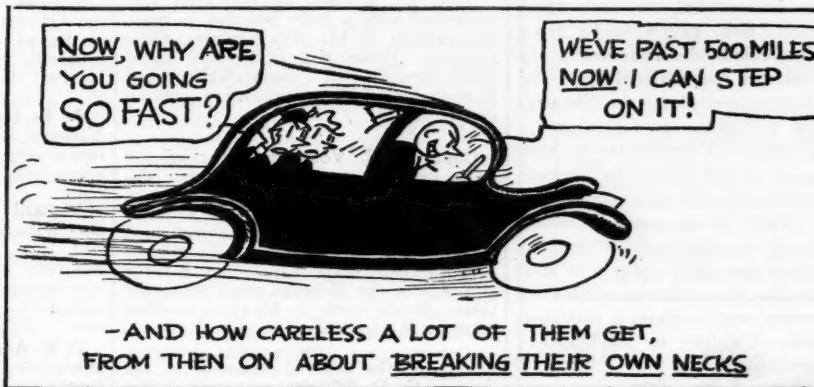
bility and lack of law and order, should arouse public indignation."

The part which haste plays in the automobile accident toll is portrayed in a number of ways to emphasize the basic fact that care and more care must be observed if accident prevention is to become a reality.

Insurance agents and brokers throughout the United States are invited to become acquainted with and to use the facts contained in this free booklet. Copies of an abridged edition in colors and a novel, illustrated Highway Safety Test have been supplied to Travelers representatives in addition to the large size edition of the booklet.

This booklet which is placed at public disposal for the purpose of creating a more widespread appreciation of the need for sincere accident-prevention efforts, will soon be available for distribution to clubs, schools, civic organizations, educational institutions, etc.

Please address your requests for free copies to any Travelers office or to Publicity Department.



A Don Herold Cartoon Appearing in the Book

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION, PUBLISHED EVERY FRIDAY

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State Alertness is Needed

THE revelations that have come forth in the sale of the AMERICAN LIFE of Denver and the astounding transactions in connection with the ABRAHAM LINCOLN LIFE of Springfield before it was taken over by the ILLINOIS BANKERS LIFE, should certainly put insurance commissioners on their guard as to life insurance sales. It had been supposed that both these companies had been fairly well managed. No one suspected that any submarine work was going on. In the case of the ABRAHAM LINCOLN LIFE only the alertness of State Insurance Director PALMER saved the company from being looted by professional gangsters. The AMERICAN LIFE under the management and control of President J. C. BURGER was conducted in an honorable way. Last summer he sold his interest to a new group. Differences

arose between two elements in this group and this led to disclosures as to most unsavory conditions that had been existing under the new management.

When the control of a life company is sold and a new management steps in the insurance commissioner should be satisfied that everything is straightforward, and that no attempt will be made by the new people to exploit it. It has become a sinister practice for would-be purchasers to attempt to get control of a company for a comparatively small sum and then use its own assets to complete further payments. The home insurance commissioner should look behind the scenes and not lose any time when change in control comes to ascertain who are working behind the scenes and what they are doing.

Widespread Publicity Given

EVERY July THE NATIONAL UNDERWRITER publishes its annual LIFE PAYMENTS NUMBER which presents the report of the life insurance business as a whole to its policyholders. In order that the information can be read by the public in general, publicity releases are sent to all the daily newspapers and the leading weeklies, outlining the information contained in the LIFE PAYMENTS NUMBER. Last year 1,467 newspapers carried stories about the Life Payments Number, devoting 11,722 inches of space to it. This is the best record that has been made on the publicity to date, exceeding the former high in 1932 of 1,266 newspapers with 9,194 inches of publicity.

Securing newspaper publicity is no easy matter as editors are flooded with material from many sources and most of it goes in the waste paper basket.

Few publicity organizations can point to the record in which 1,467 newspapers use the material. THE NATIONAL UNDERWRITER has been able to achieve this record by carefully studying the requirements of the newspapers. A special story is compiled for each state, showing the total payments by cities and the large individual payments. In addition to this the national total and general information about the life payments are included.

THE NATIONAL UNDERWRITER is now compiling its annual report for the policyholders which will be issued again in July. There is so much emphasis being placed on relief efforts and expenditures in the daily press that it is important that life insurance should tell the important part it plays in distributing billions of dollars to policyholders and beneficiaries.

Are Becoming More Selective

UNDoubtedly many companies have revised their policy regarding the selection of new agents. It has been found that too many people have been started out with the rate book who were not qualified to sell. Either they have not the personal characteristics, the knowledge, vision or the enthusiasm. They have written a few friends and then

faded out of the picture. Many have gotten out of other organizations and taken up life insurance more as a temporary expedient. Many offices have been doing a lot of sifting, getting rid of the chaff. The contracting of so many agents without proper selection has not been beneficial to the business at all.

PERSONAL SIDE OF BUSINESS

A. L. Smith, general agent Alabama agency Jefferson Standard Life, was honored at a banquet in Birmingham celebrating his 24th anniversary as general agent for the state. His agency had an 83 percent increase in business last year and has taken 1935 quota 15 percent over the 1934 volume.

Walter Cluff, educational director Kansas City Life, is issuing a 48-page booklet called "The Sales Monitor," which is made up of carefully edited examples of sales talks in their simplest form. Suitable for beginners, the talks proceed into the more elaborate forms. These talks are actual presentations that have resulted in sales, and were submitted in a contest conducted by Mr. Cluff among agents.

H. O. Griffith, Jr., of Los Angeles, all-American quarterback in 1933, one of the outstanding ground-gainers of his time and nationally known, having played for a year with the Chicago Cardinals professionally after he left school, has joined the Roy Ray Roberts agency in Los Angeles of the State Mutual Life.

R. F. Low, president American Reserve Life of Omaha, recently made regional commodore of Sea Scouts in charge of six states, presided at the annual Sea Scout ball there and participated in exercises in which several Scouts were given honor awards. Mr. Low has been active in Sea Scout affairs for 15 years.

Upon his return from his honeymoon spent in Florida E. G. Siebert, Marion, O., manager of the Ohio State Life, was tendered a dinner by members of his staff, who had put on a special campaign in his honor. Home office men in attendance were Dr. C. E. Schilling, vice-president and medical director; Frank L. Barnes, agency vice-president, and E. F. Palmer, editor of "Oscillo."

All offices of the Boston Mutual Life are making an unusual production effort this month in honor of President H. O. Edgerton. Mr. Edgerton observes his 75th birthday anniversary in March. Recently he has been away from the office some because of illness but is now actively at work. Mr. Edgerton entirely belies his age by regular attendance at the office, an easy step and a vigorous manner.

J. G. Monroe, superintendent of agencies of the Midland Mutual Life, was presented with a huge bouquet in commemoration of his 77th birthday anniversary. From the field force came many messages of congratulation, each accompanied by an application written in his honor.

Capt. T. E. Voigt, manager of the army division of the life insurance department of the Coleman & Co. agency, representing the Provident Life & Accident in San Antonio, Tex., has returned from a four weeks' tour with the El Rancho polo team, which played three games with the Mexican army team and three games with a Mexican civilian team in Mexico City.

One of the beloved veterans in the field is G. D. Wright, manager of the National Life & Accident's northern territory. In October Mr. Wright will celebrate his 25th year with the National. He has done much toward building up the company as he joined it when it was still in its infancy, after he had spent 17 years with the Metropolitan Life in St. Louis and Kansas City. He has been responsible for many of the successes in the National Life & Accident ranks, including Vice-president E. B. Stevenson, Jr., who started under Mr. Wright. Mr. Wright's

favorite hobby is fishing and he has a fishing camp 85 miles south of Nashville. He has a radio installed there by the company's radio station (WSM) engineer. Being away from all interference it gets reception from all over the country.

Mr. Wright's territory led the company 51 out of the 52 weeks in 1933 and 52 out of the 53 insurance weeks of 1934. He is a firm believer in sales contests and sales drives as they keep the agents' enthusiasm keyed up. His favorite slogan is "Heads up, who's afraid."

Elmer Abbey observed his tenth anniversary as general agent for the Aetna Life in San Antonio, Tex., with a dinner for the members of his agency and the office force. Those present included the out-of-town members of the agency and their wives, the San Antonio agency force and wives, and the office force. The office force and agents presented Mr. Abbey with a set of drapes for his office. Attached to the package were applications secured and notes of congratulation. Vice-president S. T. Whatley sent a congratulatory telegram.

R. Merriman, vice-president of the Scranton Life, is taking a rest at Clearwater, Fla.

Alabama Manager N. S. Tomlinson, Birmingham, has been awarded the H. G. Scott organization trophy by the Reliance Life. Vice-president Scott presented the award at a conference of managers at Edgewater Park, Miss. E. C. Sparver, director of agencies, spoke at the conference as did Mr. Tomlinson. The Alabama department ranked fourth in production for the company in 1934 with an increase of 72 percent. Mr. Tomlinson has been with the Reliance Life for almost 15 years, starting as an agent in 1920 and a year later being appointed supervisor in Florida. He was named Alabama manager in 1924.

J. C. Bristow, general agent Home Life of New York, Richmond, Va., is one of ten alumni of the College of William and Mary who are to be awarded medallions for service and loyalty to the college in June.

M. B. Louer of the Chicago agency of the Northwestern Mutual and Mrs. Louer will sail March 22 from San Francisco on the "President Coolidge" for a round-the-world cruise. After visiting the Oriental countries they will return via Egypt and Palestine, being scheduled to arrive at New York on the "Rex" July 6.

A. F. Hall, president of the Lincoln National Life, left last week for a vacation trip to California. He will be away until about May 1.

Richard Boissard, vice-president of the National Guardian Life of Madison, Wis., and Mrs. Boissard returned Saturday after a month's holiday, during which they took a West Indian cruise.

C. F. Adams, president of the Oregon Mutual Life, Portland, is being felicitated on his 73rd birthday. He was elected president of the First National Bank in 1927 and a few years later became chairman of the board. He is widely interested in civic affairs.

When R. M. Anderson was in the actuarial department of the American National of Galveston he was instrumental in securing the services of L. C. Cortright for that company. Both are graduates of the actuarial course at the University of Michigan. Now both are associated as vice-presidents of the Pen-

insular Life of Jacksonville, Fla., and are the active heads of that company under President Lee who divides his time between Raleigh and Jacksonville as president of both the Occidental Life and Peninsular Life.

Mrs. H. B. Houghton, 59, wife of the president of the National Aid Life of Oklahoma City, was killed in an automobile accident while returning home from attending church Sunday night.

Jesse A. Todd, past president Oklahoma Association of Life Underwriters, is a candidate for mayor of Oklahoma City on the non-partisan ticket. He is general agent of the Central Life.

Kellogg Van Winkle, manager Equitable Life of New York, Los Angeles, and Mrs. Van Winkle have sailed on a six weeks' vacation trip to Australia and New Zealand.

Maj. J. L. Moody, 49, who was formerly assistant superintendent of agents of the Aetna Life died Monday night after being in poor health for three years. He joined the Travelers in 1910, was cashier of the Des Moines agency for some time and in 1914 entered the Hartford office of the New England Mutual Life. After war service he was superintendent of agents for New England until 1923,

when he went to the Columbian National in Boston as superintendent. In 1929 he joined the Aetna Life as its assistant superintendent. Later he gave up active work, but went to the Thompson & Taintor agency and remained there until his death. He was a former secretary of the Connecticut Life Underwriters Association.

A. E. Patterson, Chicago general agent of the Penn Mutual, is planning a vacation trip of several weeks to rest up following an indisposition which put him in the Passavant hospital, Chicago, for three days under observation. The doctors were unable to find anything especially wrong, but advised that he take a rest and recreation.

Arthur A. Butler, the new general agent of the Home Life of New York in Chicago, has just moved his family there from Denver, renting a home in Wilmette, a suburb north of Chicago, and commuting daily to his downtown office.

David C. Smith, Phoenix, Ariz., state manager in that state for the Mutual Benefit Health & Accident and United Benefit Life, died Monday. He had been with the companies about eight years, starting in the Tucson office and becoming state manager when E. B. Brink was made manager in Detroit.

NEWS OF THE COMPANIES

Franklin National Organized

New Company at Greenville, N. C., With C. O. Milford President and W. Caswell Ellis Vice-President

The Franklin National Life has been organized and licensed in South Carolina with headquarters in Greenville, S. C. C. Milford is president and W. Caswell Ellis is vice-president and secretary. The board of directors is composed of 39 leading business and professional men representing all sections of the state.

The company starts with authorized capital of \$250,000 of which \$156,420 capital and \$96,816 net surplus are fully subscribed. It will write all standard forms of life insurance but will specialize in weekly premium industrial life insurance.

Mr. Milford served in practically every position from agent to president of the Southeastern Life of Greenville, during which time its business grew from about \$10,000,000 to over \$44,000,000 insurance in force. During his nine years as president that company's assets, capital and surplus and insurance in force were doubled.

Mr. Ellis was for a number of years assistant to the late T. Louis Hansen, first vice-president of the Guardian Life of New York and was later inspector of agencies for the company from which position he resigned to become vice-president and agency manager of the Southeastern Life of Greenville. During his eight years in that position its production increased from \$5,000,000 to \$15,000,000 annually.

Gulf Seeks Further Gains in Business in 25th Year

The Gulf Life of Jacksonville, which made an increase of \$13,000,000 insurance in force last year in ordinary industrial and group, will close its 25th year in June and is preparing to launch a campaign at that time for a \$25,000,000 gain in insurance in force by the end of 1936. The company is not only writing a large amount of ordinary through its industrial agents but is developing independent ordinary general agencies at a rapid rate. The Gulf led all companies in new business in Florida in 1934, having written a total of \$27,000,000.

Approve Kentucky Home Plan

Mutualization Ordered by Court, Contingent on Acquisition of All Stock of Company

FRANKFORT, KY., March 14.—Circuit Judge Ford signed an order granting the Kentucky Home Life the right to mutualize, after several hours of argument by attorneys representing all sides of the question. Approval of the plan was on condition that all of the stock be acquired. All of the 50,000 shares of stock have been acquired except some 7,000 shares now owned by the General American and it was stated that stock would be purchased at an early date.

This program had the approval of State Auditor Talbott, who supervises the insurance department; Commissioner Senff, Lieut. Gov. A. B. Chandler, former receiver, and William Tate, former actuary in the Kentucky department, now president of the Independence of Louisville, and of the stockholders of the Kentucky Home Life.

Federal Judge C. I. Dawson, Louisville, will become chairman of the board. He told the court the mutualization program was the only program offered in the past two years offering any hope to save policyholders of the old Inter-Southern, which was taken over by the Kentucky Home.

Burton Van Dyke, company actuary, who worked out the plan for mutualization, told the court the Kentucky Home was losing approximately \$60,000 a year, whereas the Inter-Southern Life has made approximately \$373,000 in the last two years. He held that under a mutualized program officials can work out a definite program for the future, insuring a continuity of management, and permitting agents to secure new business. He held that between \$8,000,000 and \$10,000,000 of old Inter-Southern business would be reinstated, and the opportunity presented for going after new business.

Royal Union Life Report

Net income of the Royal Union Life of Des Moines for the first year of its insolvency was \$1,213,738, of which \$857,083 was received the latter half of the year, according to a trustees' report filed with the federal court.

Approximately two-thirds of the gross

income the second half of the year was from liquidation of properties. Total income for the six months was \$1,115,886. During the year \$1,110,107 was paid to the Lincoln National Life, reinsurer of the Royal Union.

Two New Indiana Companies

Progressive Mutual and Covenant Life, Both on Legal Reserve Basis, Incorporated

INDIANAPOLIS, March 14.—The Progressive Mutual Life has filed articles of incorporation, the name having been approved by the Indiana department. The incorporators believe they will be ready to comply with the requirements of the department by June 1 and plan to operate as a mutual legal reserve company. Active in promoting the new company are W. A. Groom, for 20 years with the Reserve Loan Life, who more recently helped organize the Guaranty Reserve Life, an assessment company, but has severed that connection, and H. E. Munn, for a number of years district manager Mutual Life of Baltimore in Indianapolis.

Officers of the Progressive Mutual are: President, J. H. Pierson; vice-

presidents, A. O. Evans and H. H. Fuller; secretary, J. I. Garrett; treasurer, Dr. G. J. Bookwalter, none of them insurance men; auditor, Russell Evans; medical director, Dr. G. E. Lowe; general counsel, W. D. Fitzpatrick. An incorporated agency company to be known as the Progressive Agency, Inc., is also being organized.

The Covenant Life, also being incorporated, will be a legal reserve company with \$100,000 capital. Incorporators are F. W. Ranney, with the State Life until about a year ago; J. F. Kurfiss; C. A. Kelley, Jr., former state agent St. Paul Fire & Marine; S. B. Hosmer, W. F. Churchman, C. R. Richardson, W. A. Myers, C. E. Swayzee, Frankfort, Ind.; E. J. Sutton, Crawfordsville, Ind., and C. A. Smith.

Both these companies will be required to comply with the provisions of the new Indiana code, which applies to companies that may be organized or are in process of organization.

Suwanee Life Expands

The Suwanee Life of Jacksonville, which in January purchased the five-story building at 424 West Forsythe street and has had it remodeled for home office purposes, will move in on April 1. The Suwanee, which is under

Financial Statement

December 31, 1934
As reported to the insurance departments of the states in which we operate.

ASSETS

Cash	\$ 350,252.42
First Mortgages on City Properties	\$ 6,497,691.74
First Mortgages on Farm Properties	1,582,662.96
Loan to Policyholders	3,085,067.94
Bonds	
United States Government	1,228,328.89
States, Counties and Cities	1,011,280.89
Canadian Provinces and Cities	585,658.12
Railroad Equipment Trusts	176,185.40
Railroad Underlying	148,483.02
Unencumbered Real Estate and Contracts for Deed	3,149,936.32
Interest due and accrued on bonds, mortgages and policy loans	2,884,062.74
Premiums deferred and in course of collection	239,306.94
Total Admitted Assets	231,264.03
	\$18,020,245.09

CURRENT LIABILITIES

Interest, Premiums and Taxes paid in advance	118,471.71
Taxes for 1934 not due until 1935	69,618.46
Death claims, proofs not received and other items	121,627.87
Total Current Liabilities	\$ 309,718.04

RESERVE FUNDS

Policyholders' reserves to meet policy obligations	15,149,165.06
Reserves for funds payable in installments	433,016.20
Total Liabilities and Reserve Funds	\$15,582,181.26
Policyholders' Surplus	\$15,891,899.30

or \$1.13 of Assets for each \$1.00 of Liabilities.

\$ 2,128,345.79

Our Progress During The "Depression" Period

Our Admitted Assets	Our Surplus to Policyholders
December 31, 1929...\$14,869,090.98	December 31, 1929...\$ 1,770,761.24
December 31, 1934...18,020,245.09	December 31, 1934...2,128,345.79
An increase of...\$ 3,151,154.11	An increase of...\$ 357,584.55

IN ADDITION IN THE DEPRESSION PERIOD \$9,200,000 WAS PAID TO POLICYHOLDERS AND BENEFICIARIES

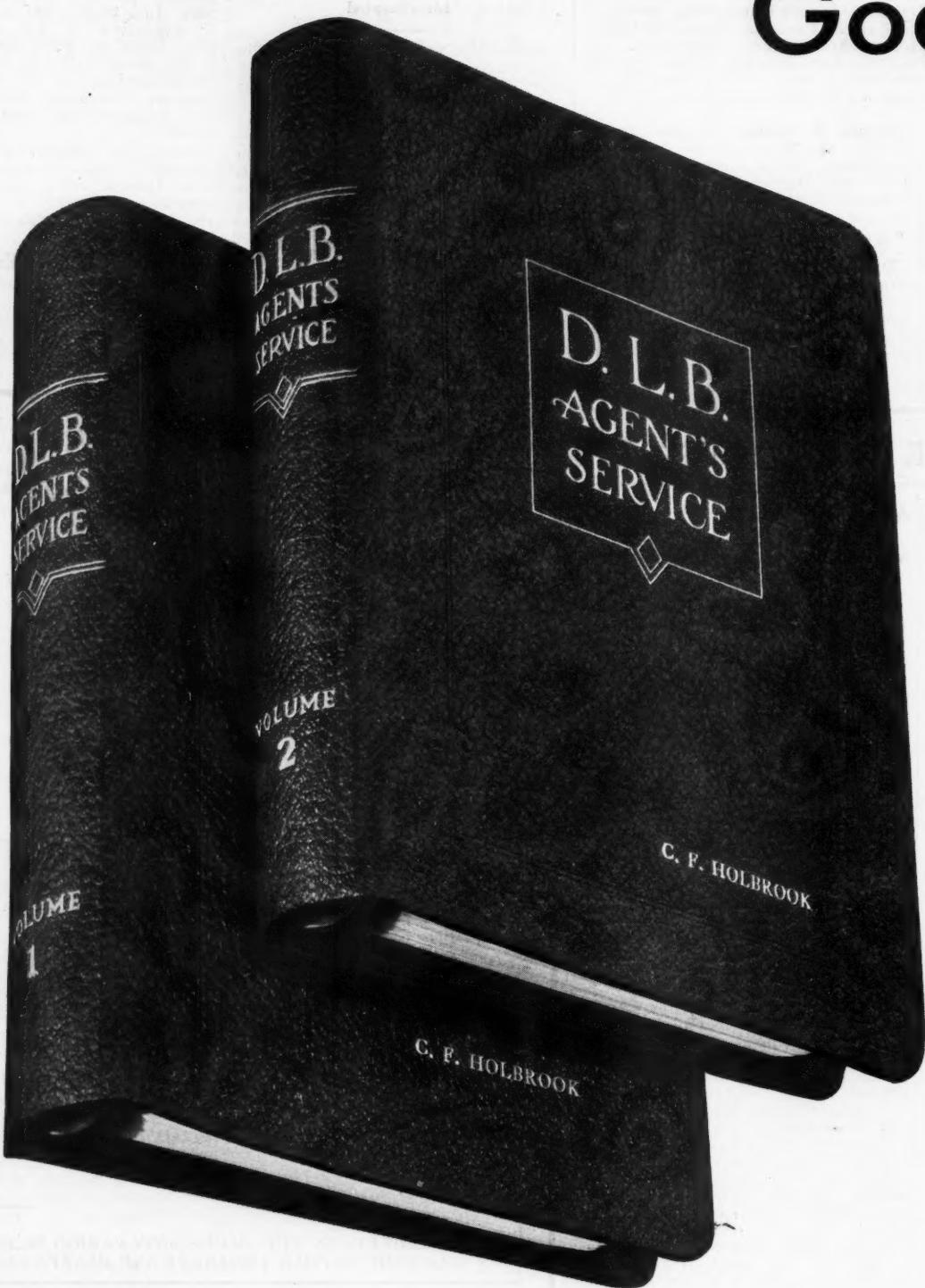
1910 *The Old Line Life* 1935

Insurance Company of America

MILWAUKEE, WISCONSIN

LIFE ★ ACCIDENT ★ HEALTH

The BIG Little "D. L. B.A. Goes Into TV"



SUBJECTS TREATED

-
- Section 1—"You."
- Section 2—"Life Insurance."
- Section 3—"Investments."
- Section 4—"Prospecting."
- Section 5—"Selling."
- Section 6—"Sales Talks."
- Section 7—"Programming."
- Section 8—"Selling Women."
- Section 9—"Motivation."
- Section 10—"Objections."
- Section 11—"Closing."
- Section 12—"Settlement Options."
- Section 13—"Managing Your Business."
- Section 14—"Letters, Advertising."

Satisfaction Guaranteed — or Money Back! If for any reason you are not satisfied with this Service, you may return it in 10 days and we will refund your money in full.

THE DIAMOND LIFE BULLETINS

B. Agent's Service" to Two Binders on April 1

Up to this time the "D. L. B. Agent's Service" has been in one binder. This binder, which now contains 275 pages, treating fourteen divisions of the selling job, is becoming too crowded. Therefore, on and after April 1, the Service will be furnished with 2 binders. (Present subscribers, rest easy—you will be notified how to get your second binder free.)

Subscription Rate Increases on April 1st

On April 1, there will be an increase in subscription rates (1) to pay for the second binder; (2) to pay for the supplying of all back monthly issues.

1. New annual rate, payment in advance, \$12.00.
2. New semi-annual rate, \$6.50 with order and \$6.50 in six months.
3. New time payment rate (first year subscriptions to be guaranteed by the General Agent or Manager) \$3.00 with order and note for \$11.00 payable \$1.00 a month.

This increase affects ONLY the first year rate. For the second and succeeding years, the subscription rate remains at \$1 a month (or \$10 in advance or \$11 payable semi-annually).

New Subscribers Act NOW and Save \$1.75

This \$1.75 is the difference between the \$2.00 advance in price and 25c which will be charged to present subscribers to have their names embossed on their 2nd binder. Therefore, present rates, including the embossing of the name on the second binder, are:

1. Annual rate, payment in advance, \$10.25.
2. Time payment rate (first year subscriptions to be guaranteed by the General Agent or Manager) \$3.25 with order and note for \$9.00, payable \$1.00 a month.

If you want a quick, handy Guide to your Life Insurance selling problems, order this Service. It will pay for itself in a month or two in increased commissions. After that these increased commissions will be profit.

SAVE \$1.75 BY MAILING THIS BLANK BEFORE APRIL 1st

D. L. B. Agent's Service, 420 East Fourth Street, Cincinnati, Ohio.

- Enclosed find \$10.25. Enter my subscription for one year and send me the complete up-to-date files in two binders. Emboss my name on each binder. (After April 1, annual cash rate first year subscriptions, \$12.00.)
- Enclosed find \$3.25 (my General Agent or Manager will endorse my note for \$9.00 payable \$1.00 a month). Send me the note form for my signature. Enter my subscription for one year and send me the complete up-to-date files in two binders. Emboss my name on each binder. (After April 1, time payment rate, first year subscriptions, \$14.00.)

Name.....

(Print your name as you want it embossed on binders)

Company.....

Title.....

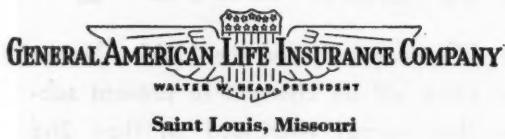
Street Address.....

City and State.....

"It is our objective to provide our field representatives with all necessary tools, tangible and intangible, with which success is achieved in life insurance selling."

MULTIPLE LINES interlock. Day in, day out, men and women covered by General American Life group insurance see claims paid to fellow-workers or their beneficiaries. Insurance for them is a dramatic, vital part of living. They are the finest of prospects. They know General American Life.

A General American Life representative will explain the many services rendered by a multiple line company.



Life—Salary Savings—Group—Accident and Health

A WORLD WIDE INSTITUTION

Incorporated in 1865

THE international character of the Sun Life provides unique facilities for the service of its clients in 40 different countries on 5 continents.

The Company maintains 54 branch offices in 40 states of the Union, giving a coast-to-coast service.

SUN LIFE ASSURANCE COMPANY OF CANADA

HEAD OFFICE

MONTREAL

the management of President T. W. Benson, has \$116,000 capital stock, and has about \$5,000,000 in force with a weekly debit of about \$5,000. It also issues a special \$250 policy payable monthly by mail and has about \$800,000 of this in force. On April 1st it will commence issuing ordinary policies. The company confines its business to Florida and now has about 150 industrial agents.

Takes Over Peoples Industrial

The Afro-American Life of Jacksonville, the largest Negro-managed company in Florida, is taking over the Peoples Industrial of Jacksonville but will continue the office at 417½ Broad street with the old Peoples Industrial manager, S. A. Austin, in charge. The Afro-American some time ago took over two other Negro companies, the Citizens Life of Jacksonville and the Keystone Life of Tampa, Fla., which it operates as branches.

Take Dividend Action

Authorization to increase the quarterly dividend of the Aetna Life from 10 cents to 15 cents a share was given by the directors and the regular quarterly dividends of 15 cents a share for the Aetna Casualty and 25 cents for the Automobile were voted. All the dividends are payable April 1 to stockholders of record March 9.

Old Line's 25th Anniversary

The Old Line Life of Milwaukee will be 25 years old April 16. From March 16 to April 16 a special drive is being conducted for an increased volume of business in the last month of its 24th year.

Proposal Is Turned Down

At a special meeting of stockholders of the Northwestern Union Life of Ottawa, Ill., the proposal to increase the number of directors from 9 to 15 was defeated. Judge Harry Reck, who was elected president at the adjourned session of the annual meeting recently, was reelected as president. An advisory board was elected to meet with the directors.

Report Michigan Status

LANSING, MICH., March 14.—Due to the fact that the Illinois Bankers Life, reinsurer of the Abraham Lincoln Life, holds only a restricted license in Michigan, it will be necessary either to carry the Abraham Lincoln business in the state to expiration or to sell it to a fully authorized carrier. The agency plant cannot be used under the existing situation.

Ohio National Leaders

G. C. Hill, general agent at Sandusky, O., and H. G. Sanders, Knoxville general agent, were the two leaders in the Ohio National's personal production contest in February. Both of the men received Rookwood table lamps, the gift of Mrs. T. W. Appleby. Results for the month were considerably better than was anticipated.

Bankers Life Policy Loans

Policy loan repayments of the Bankers Life of Des Moines showed a gain of 22 percent for 1934 as compared with 1933, and the gain in repayments for January, 1935, was 16 percent as compared with January, 1934. Following the same trend, 1935 opened with a much diminished demand for cash loans. The total of all requests in January, 1935, was 30 percent less than in January, 1934. All of these figures indicate that people everywhere are now getting their hands on more money than at any time in recent years.

Pilot Life's Statement

The 1934 financial statement of the Pilot Life of Greensboro, N. C., shows admitted assets \$14,257,598, an increase; capital, surplus and contingency reserve \$1,286,430, depreciation reserves

\$210,980. The surplus also showed an increase. In the assets are first mortgage loans \$3,834,230, federal, state and municipal bonds \$1,362,562, other bonds \$548,724, stocks and collateral loans \$1,223,126, policy loans \$4,197,338, cash \$434,332, real estate owned \$2,132,652, interest due and accrued \$244,364, net premiums in collection \$447,168. The policy reserve was \$12,424,264, reserve for policy dividends \$200,767, insurance in force \$100,322,126, an increase; income \$3,508,147, payments to policyholders and beneficiaries \$1,690,940, total payments since organization \$21,815,246.

New World Gains

An increase of 40 percent in new premium income in 1934 and an 18 percent increase in new sales is reported by the New World Life. Surplus to policyholders aggregates \$1,924,937, insurance in force \$38,329,409.

Honor President Reynolds

March is president's month for the Kansas City Life, in honor of President J. B. Reynolds. The field force will celebrate Mr. Reynolds' 64th birthday and his 31st anniversary as president. There will be a big one day drive on March 18.

Honor Clabaugh in March

President's Month, or "March for Clabaugh," is being observed by the Protective Life of Birmingham in honor of President S. F. Clabaugh. Among the features planned is a "dawn to midnight" drive.

Seek Hancock County Mutual Receiver

Hearing will be held March 18 on the application of Attorney-General Otto Kerner of Illinois for appointment of a receiver for the Hancock County Mutual Life Association. Insurance Director Palmer reported the company was insolvent. It was organized in 1906.

Start Radio Series

A series of broadcasts over WIBA, Madison, Wis., radio station, has been started by the National Guardian Life. Local orchestras and talent and University of Wisconsin musical organizations will furnish the entertainment on Tuesday nights until May.

CONVENTIONS

Lamar Life's Mississippi Alabama Districts Meet

At a meeting of three Alabama and Mississippi districts of the Lamar Life at Columbus, Miss., four home office men were the principal speakers: Dr. J. O. Segura, vice-president and agency director, discussed the new agent's manual; A. E. Babbiitt, vice-president and actuary, presented the 14 new policies of the new rate book. Edgar G. Olden, superintendent of agents, spoke on "The Eight Steps to Increased Production." Roy B. Nelson, supervisor for Mississippi, talked on "Building a Clientele in Small Towns." R. O. Hardy, general agent, was host.

Assistant Managers Meet

Two meetings of assistant managers of the Metropolitan are scheduled to be held, one at Indianapolis March 21 and the other at Springfield, March 22. R. H. DuFlon, superintendent of agencies of the middle west territory will preside.

Two-State Meet in Richmond

E. A. Farrington of the agency department of the Provident Mutual spoke at the annual meeting in Richmond of agents of that company in Virginia and West Virginia. An address by E. W. Marshall, vice-president, given from his

Equality of Opportunity

is the basis upon which the Agency Contract is founded.

Square deal

Automatic Promotion

is provided for the man who forges ahead as a personal producer or as an agency builder or as both.

Square deal

For details regarding the Agency Contract, address

Agency Openings
in Wisconsin,
Ohio, Minnesota,
Iowa.

Guardian Life

Home Office—Madison, Wis.

Juvenile Insurance Opens the Door

Security Mutual Juvenile policies open the doors to homes where insurance minded people live. Like Security Mutual pre-call letters, they pave the way for adult business.

You should know more about Security Mutual Juvenile policies with payor features and Security Mutual Prospect Letter Service for agents.

Ask any General Agent or write

Security Mutual Life Insurance Company

BINGHAMTON, N.Y.

2000 BROADWAY 10TH FLOOR NEW YORK CITY

LIFE AGENCY CHANGES

Frank P. Ebertz Has Resigned

Health Causes Retirement of San Francisco General Agent National of Vermont—D. A. Lamar Is Successor

Frank P. Ebertz, general agent of the National Life of Vermont in San Francisco, has resigned and temporarily retired from all business. He is succeeded by Donald A. Lamar, leading personal producer of the Union Central Life. Mr. Ebertz' resignation became effective just eight years to the day since he joined the National Life as its northern California general agent.

His retirement is due to his health. Warned by his physicians and the examining physicians of the company that his 33 years in the business have been too greatly concentrated on work, he will spend several months at various California resorts conducive to absolute rest and relaxation. Later in the year he plans a trip around the world.

Under present plans he will remain out of business for the next two years, devoting his entire time and attention to recovering his health. If recovered sufficiently at that time to become active again, he plans to return to the National Life on a personal production basis. Last year his agency received one of the company's "certificates of achievement" and he was personally third in the list of its personal producers.

Southwell Joining United Mutual Philadelphia Office

William H. Southwell has announced his connection with the United Mutual Life of Indiana, giving the news at a luncheon in his honor attended by 35 old Continental Life of Missouri agents and brokers who had been under his management at Philadelphia. He joins the E. H. Heintz agency of the United Mutual at Philadelphia. Before entering life insurance work he was connected with the textile and electric specialty business as sales director and promotion manager. At one time he was president and general manager of his own company in Philadelphia. He was formerly associated with the Columbian National Life in Philadelphia as an agent and later as assistant manager. He left the Columbian National to become manager of the Continental Life of St. Louis in Philadelphia. He takes to the Heintz agency 29 full time agents who have had from two to ten years' experience covering Philadelphia and adjacent counties. Mr. Heintz was present at the luncheon and gave a talk about the United Mutual.

Mabee to Go to Albany

M. R. Mabee has been appointed manager of the new ordinary department office which the Prudential will open April 1 in Albany, N. Y. Headquarters will be in the Standard building. Mr. Mabee has been assistant manager with Sidney Wertimer in Buffalo for several years. He went with the Prudential in 1925.

Hilbe Goes to Davenport

Joseph J. Hilbe has been appointed Guardian Life manager at Davenport. He was previously located at St. Cloud, Minn., with the Equitable Life of New York. His son, R. J. Hilbe, and Kenneth Aldrich were associated with him at St. Cloud.

General Agent in Salt Lake City

S. L. Hemstreet has been appointed general agent in Salt Lake City for the Lincoln National. He first entered the life business several years ago with

the Lincoln National as a special representative. Later he joined the Equitable Life of New York and again made an outstanding record.

Before entering insurance Mr. Hemstreet was general manager and vice-president of a retail furnishing establishment. He was also president of his own radio concern in 1929.

Stephany in Pittsburgh Post

The Bankers Life of Nebraska has appointed C. F. Stephany general agent of its Pittsburgh branch. He goes to the Bankers Life after six successful years as a large personal producer with the Provident Mutual Life. Before entering life insurance business he had been a sales promotion manager and organizer in the electrical appliance and public utility field. The company has maintained a Pittsburgh branch for 30 years, which is moving to new quarters in 1645 Koppers building.

Seaton Named at Canton, Ill.

C. A. Seaton has been appointed district manager of the Connecticut Mutual Life in Canton, Ill., being under the jurisdiction of General Agent C. T. Wardell of Peoria. Mr. Seaton has been connected with the Equitable Life of New York in Canton for the last 21 years and previous to the death of J. H. Fitzgerald he was in partnership with him under the name of Seaton & Fitzgerald.

Returns to Lincoln National

The appointment of J. L. Mueller of Fort Wayne, Ind., as educational supervisor in northern Indiana for the Lincoln National Life has been announced. He will operate out of the northern Indiana agency and will conduct an educational program in addition to promoting personal sales in Fort Wayne. Mr. Mueller was with the Lincoln National Life for 12 years before taking charge of a general agency of the Pacific Mutual Life five years ago.

Alden C. Palmer Resigns

CINCINNATI, March 14.—Alden C. Palmer has resigned as general agent of the Berkshire Life in Cincinnati. He has now joined the Research & Review organization of Indianapolis, with which he was previously associated.

Bankers Life, Iowa, Changes

S. H. Bright, Fargo, N. D., manager for the Bankers Life of Des Moines, is being transferred in charge of the Spokane branch. The Fargo office is to be consolidated with the Minneapolis office, under supervision of R. E. Shea, Minneapolis.

Old Line Names Two

The Old Line Life of America, Milwaukee, has appointed V. W. Wills general agent in La Crosse, Wis., and adjacent counties. Mr. Wills was formerly district manager at Reedsburg, Wis. S. L. Johnson has been made general agent at Madison, Wis. He has been with the company for five years, starting as a part-time agent.

Havens to Hartford

J. G. Havens, former manager of the department of issues in the home office of the Lincoln National, has been appointed general agent at Hartford by his company, which has just been licensed in Connecticut. He has been with the Lincoln National 12 years.

R. W. Earl, R. C. O'Connor

R. W. Earl of Portland, Ore., has been appointed manager of the Oregon and southern Washington district for the Reliance Life. R. C. O'Connor, manager in Portland for six years, is transferred as manager of the Cincinnati de-

partment. For five years Mr. Earl has been branch manager of the Canada Life in Oregon. Prior to that he was with the Equitable Life of New York. In 1934 Mr. O'Connor was president of the Portland Life Underwriters Association.

Gammon to Jackson, Miss.

S. F. Gammon, assistant to C. W. Campbell, manager at Jacksonville, Fla., for the ordinary department of the Prudential, has been made manager at Jackson, Miss.

Warlick with Mid-Continent

G. C. Warlick, San Antonio agency manager of the Colorado Life for the past five years, has been appointed general agent there of the Mid-Continent Life of Oklahoma City, to develop southwest Texas, with offices at 541 Moore building, San Antonio. He was formerly with the Missouri State Life as general agent for western Oklahoma, and began his insurance work with the Mutual Life of New York.

A. D. Nordberg

A. D. Nordberg, who went with the Yeomen Mutual Life five years ago as an agent in the Kansas City office, has been promoted to general agent for Kansas City, Kan.

Zant with Reliance Life

W. A. Zant, who for the past two years has been with the Travelers in Fort Worth, has been appointed district agent of the Reliance Life with offices in the Renfro building, Fort Worth, Tex.

Meeker Made County Manager

Ursul C. Meeker, Bloomington, Ill., has been appointed general manager for McLean county by the Mutual Benefit Health & Accident and United Benefit Life.

Salisbury Brokerage Manager

H. C. Lawrence of Newark, New Jersey general agent of the Lincoln National Life, has appointed C. R. Salisbury manager of the agency's brokerage department. He was formerly field manager of the Bankers National Life in Jersey City.

Mulligan Moves Office

The Prudential ordinary agency in charge of Manager H. F. Mulligan has been transferred from Sayre, Pa., to Binghamton, N. Y.

A. J. Davis

A. J. Davis has been appointed Springfield, Ill., general agent by the General American Life with headquarters in the Illinois National Bank building. He has been prominent in Boy Scout affairs.

Life Agency Notes

The United Mutual Life has appointed E. J. Aleks district agent in Lansing, Mich.

A. C. Crowder & Son, Prudential managers in Birmingham, Ala., have appointed F. C. Heard assistant manager and traveling field representative.

The Lamar Life of Jackson, Miss., is setting aside April, its 29th anniversary month, dedicated to A. E. Babbitt, vice-president and actuary. A number of prizes will be offered.

The State Mutual Life has experienced a noticeably favorable mortality for the first two months. The ratio was 51.79 percent.

G. T. Guernsey, Jr., formerly a local agent at Independence, Kan., has been appointed field supervisor for the C. H. Poindexter general agency of the Northwestern Mutual Life, St. Louis.

W. D. Stokes, formerly with the Amicable Life of San Antonio agency, has been appointed agency supervisor of the San Antonio agency of the Fidelity Union Life.

Rufus White, for seven years a leading producer of the Pilot Life's O. Henry Agency in Greensboro, N. C., has been appointed as agency supervisor.

Tells About the Record for Daily Applications

Arthur J. Hill of San Francisco, manager of the State Life of Indianapolis, calls attention to the remarkable record of A. L. Sullenberger, agent at Eureka, Cal. It was recently stated that he had a record of consecutive daily applications running for 131 days. A. B. Culbertson, agent of the Pilot Life, Greensboro, completed 132 working days without a miss. Mr. Hill states that Mr. Sullenberger's record was 145 days running from Dec. 10, 1928, to May 31, 1929.

Mr. White is the author of a new "Selavision Manual" on the life income plan.

H. H. Durham, who has been secretary of the Seattle branch office of the North American Life of Canada, has been transferred to Detroit in similar capacity under State Manager D. G. Neuber.

The Gulf Life of Jacksonville has opened a new industrial district at Columbus, Ga., with W. A. Levie as manager.

Reid N. Thomas, formerly a vice-president of the Southeastern Life, has joined the Minnesota Mutual Life as general agent at Knoxville.

E. H. Benedict, for several years cashier, has been appointed agency supervisor of the Matthew Brown agency of the General American Life and San Antonio, Tex., agency.

L. B. Gettys, manager Mutual Life of New York, Sioux City, Ia., has appointed **S. R. Fockler** supervising assistant.

Paul E. Gable has been appointed supervisor in the Coffman Agency of the Connecticut General at Cleveland. He is a graduate of Western Reserve University and of Western Reserve law school.

Maurice Baker, Lynn, Mass., has been named superintendent of the Lowell district by the Prudential.

Ledbetter & Langford, Miami, Fla., have been appointed agents of the life department of the Aetna Life.

L. O. Latting, Batesville, Ark., has been appointed district manager of the Mutual Life. He succeeds Hardy Kuykendall, who has been transferred to California.

The B. D. Cole agency, West Palm Beach, Fla., has been appointed by the Aetna Life to represent its life department. This agency has discontinued its representation of the Travelers.

P. M. Gresham, who has had several years' experience in general insurance work, has been appointed district manager of the People's Life of Indiana, with offices at 702 Maverick building, San Antonio, Tex.

H. A. Poehler has been named district manager of the New England Mutual Life at Menomonie, Wis. He has been in life insurance work since his graduation several years ago from the University of Minnesota.

H. R. Tiegs has joined the R. M. Buck agency of the Indianapolis Life in Los Angeles. For 15 years he was general agent of the Great Northern Life in Madison, Wis., and a large personal producer.

H. L. Reed, former president of the Lincoln (Neb.) Life Underwriters Association, has returned to Lincoln after several years absence and opened a general insurance agency. He will represent the Mutual Life of New York.

H. L. Gilhaus, who some years ago left St. Louis to become general agent in Wichita, Kan., for the Central Life of Iowa, has returned to St. Louis to become associated with the Massachusetts Mutual Life in a supervisory capacity.

G. J. Loos has been appointed district manager of the Pacific Mutual Life at Fort Wayne, Ind., succeeding J. L. Mueller, who resigned to join the home agency force of the Lincoln National Life. Mr. Loos has conducted the Loos Insurance Agency in Fort Wayne for 14 years.

All the up-to-date facts and figures on Annuity, Retirement and Investment Contracts are available in the **Annual Digest** published by The National Underwriter. Single copy \$3.00.

AMERICAN CENTRAL LIFE INSURANCE COMPANY

ESTABLISHED 1895

INDIANAPOLIS, INDIANA

● Serving in the life insurance field through wars, epidemics, panics, and depressions since 1895.

THERE'S A PLAN THAT FITS

THE 5-WAY POLICY

Accident - Sickness - Loss of Limbs - Old Age
Death

One Policy Unit - One Company - One Premium

♦♦

Ideal for
The Salaried Man
The Employed Woman
The Young Man Uninsured
The Man Who Needs Complete Protection for
One Budget Outlay
The Man Who Must Protect His Income While He Lives
as Well as When He Dies
The Man Who Should Insure His Life Insurance Estate

♦♦

An effective, non-competitive approach for every prospect, every situation, every problem of personal insurance needs.

"IT PAYS 5 WAYS"

Pacific Mutual Life
Insurance Company of America
Founded 1868
GEORGE I. COCHRAN, President

HOME OFFICE
LOS ANGELES, CALIFORNIA

ASSETS
OVER \$205,000,000.00

AS SEEN FROM CHICAGO

EQUITABLE HAS MASS-MEETING

A mass-meeting of Chicago agents of the Equitable Life, New York, heard Gage E. Tarbell, director and former vice-president, give an inspirational talk on "The Equitable and Opportunities Ahead of Its Agents." Mr. Tarbell has been a director of the society 40 years and before that was Chicago general agent for the Equitable. He was one of the earliest "millionaire" producers in this country, selling over \$2,000,000 personally in a year. William Rothaermel, head of agencies, central department, presided.

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SWANSON AGENCY GATHERING

H. G. Swanson, head of the youngest general agency of the New England Mutual in Chicago, held his fourth anniversary agency convention. Vice-president Guy Read of the Harris Trust Company spoke on "Salesmanship," stressing ambition as an important factor. Frank McDowell, manager of the Retail Credit Company branch in Chicago, spoke on "The Relation of the Inspection Company to Agents" and Blanchard Galloway, assistant, also addressed the agents. A number of Mr. Swanson's agents gave brief talks. They presented him 19 applications secured earlier in the day. This week Mr. Swanson underwent a tonsilectomy.

* * *

CLEAN UP THEIR BUSINESS

Chicago offices say that in view of the dividend and rate changes, agents rounded up their prospects very effectively in December and January. Hence the picking has not been so good since because of the extraordinary drive that was put on. However, business has been better in Chicago. The big problem now is to get the right kind of agents that can finance themselves.

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RALSTON AWARDED SALES CUP

The same contagious enthusiasm which has placed Manager R. G. Ralston's district of the National Life & Accident in Chicago in the lead in ordinary production for the entire country was shown at a dinner at which Mr. Ralston was presented with a huge trophy in recognition of his district's splendid production record for the last quarter of 1934, when it led the northern district in ordinary production. Present from the home office were President W. R. Wills and G. D.

Chicago General Agency of large eastern company wants a man to contact, train and handle agents. Salary and overwriting commission. Replies will be kept confidential.

ADDRESS B-53, NATIONAL UNDERWRITER

WANTED

Accountant, capable of heading Accounting Department.

George Washington Life Insurance Co.
Charleston, West Virginia

TAKE BOTH Life men who write automobile or fire insurance, as well as life, should read *The National Underwriter* (Fire, Automobile and Casualty Section, \$4 a year), as well as the *Life Insurance Edition*. Both on one subscription, \$5.50 a year. Send order now to A-1946 Insurance Exchange, Chicago

Wright, territorial manager. Mr. Wills said that Mr. Ralston had done a fine job and his efforts have convinced the company that it should develop the Chicago territory more thoroughly and that expansion plans are in the offing.

Mr. Wills said that Mr. Ralston's record in the last quarter of 1934 was one of the best in the company's history. Mr. Wills urged agents to give the right service in the right spirit, to have ambition to fight and get somewhere; to study human nature and play on human emotions.

Mr. Ralston appealed to the agents' wives who were present to keep their husbands working and always to ask them how much business they have sold the end of each day. If the agent reports no business the wife should ask to see his canvass cards to see if he has been working religiously. A blank day means that the agent has drawn 24 hours from the bank of life and thrown it away. Often the time spent in thinking up excuses why he didn't get the business could have been turned into profitable sales by the agent.

A special week's drive was put on in honor of Mr. Wills' visit in which \$131,053 ordinary was written. Superintendent A. E. Norman won the prizes for leading superintendent in both individual and staff production. Other prize winners were: C. C. Zurich, D. S. Balas, J. F. Horn, H. A. Hoye and Al Bluhm. Mr. Bluhm is leading the entire country in ordinary with over \$50,000 paid business for the first nine weeks. He spoke and told about his successful work. Superintendent Norman also talked, as did Superintendent W. J. Kowal and L. Unger, who is

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NEWS OF LIFE ASSOCIATIONS

Cleveland Program Prepared

F. L. Jones, Camps, Teachnor to Address Spring Sales Congress March 23

A powerful speakers' list has been arranged for the spring sales congress of the Cleveland association in the Hotel Carter, Cleveland, March 23. There will be a life insurance drama presented by members.

J. H. Rutherford, manager Phoenix Mutual Life, first vice-president Cleveland association, and G. H. Schumacher, Massachusetts Mutual, second vice-president, will be chairmen of the morning and afternoon sessions, respectively.

The morning program will include Manuel Camps, Jr., general agent Penn Mutual, Boston, on "What Price Organized Sales Talks," and F. L. Jones, vice-president Equitable Life of New York, on "Factors of Change and of Stability."

Dix Teachnor, Kansas City Life, Kansas City, Mo., will be the only speaker in the afternoon session, talking on "Insurance Tips." The balance of the afternoon will be taken up by the drama, "The Magician," written by Olivia Orth.

The cast of characters will include W. E. Baker, E. J. Tyler, F. N. Winkler, Dick Winkler (son of F. N. Winkler), Dorothy M. Currell, W. N. Dasef, Sandra Dasef (daughter of W. N. Dasef), and Dorothy Diemert. J. C. Barker and J. L. Bell will be production managers.

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Pontiac, Mich.—H. B. Thompson, secretary-counsel Michigan association, discussed legislation pending and urged cooperation in getting the recommendations of the Life Underwriters Council enacted.

leading the country in individual industrial increase.

Other speakers included F. Koehler, J. C. Lamar, Chicago managers, and Charles D. Spencer of THE NATIONAL UNDERWRITER. Dr. John Boland, medical director Country Life, who also assists the National Life & Accident in Chicago was present.

The Ralston district is leading the company for the first nine weeks with \$361,000 ordinary and \$100 industrial increase. Mr. Ralston now has 38 men but is constantly adding more and is expecting to have 60 men in the field soon.

INSURANCE STOCK QUOTATIONS

Bacon, Whipple & Co., 135 South LaSalle street, Chicago, give the following quotations of insurance stocks:

	Par	Div.	Bid	Asked
Aetna Life	10	50*	17 1/2	18 1/2
Col. Nat. Life	100	8.00	88	95
Conn. General	10	.80	26 1/2	27 1/2
Cont. Ill.	10	2.00	37	38
Cont. Cas.	5	.60	14	15
Lincoln Natl.	10	1.20	22 1/2	24
New World Life	10	.40	10	14
No. Amer. Life	5	—	2 1/2	3
No. W. Natl.	5	—	10	12
Old Line Life	10	.60	12	14
Pacific Mutual	10	1.00	16	18
Prov. Wash.	10	1.10*	33	35
Sun. Life, Can.	100	—	310	325
Travelers	100	16.00	400	410
Wisconsin Natl.	10	.60	10	12
Includes extras.				

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METROPOLITAN'S CHICAGO MEET

Assistant managers of the Metropolitan will take part in a one-day meeting at the Drake hotel March 20, which has no formal program but will be an open forum and discussion of current problems in the field. R. H. DuFlon, superintendent of agencies of the middle west territory, will preside. Attendance of about 200 is expected from the Chicago area.

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E. S. Rappaport, assistant manager of the Pacific Mutual in Chicago, is laid up with scarlet fever.

Tour in Illinois Is Started

President Axelson of State Association, Broaddus and Tower on Speaking Trip

The first meeting in a series sponsored by the Illinois association, in which local associations will be addressed by representatives of the National association this month, was held at Bloomington March 13. The schedule arranged by President C. F. Axelson of the state association, includes meetings at Springfield and Decatur March 14 and Danville and Champaign March 15.

The main speaker at each meeting is L. S. Broaddus, branch manager Acacia Mutual, Chicago, whose topic is "Mental Attitudes." He takes the place of A. E. Patterson, trustee of the National association, who has had to postpone his downstate tour because of illness.

Mr. Axelson and Walt Tower, managing director Chicago association, accompanied Mr. Broaddus and are holding conferences on organization activities and problems with officers and directors of local associations.

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Holderness Talks in Texas

Tells San Antonio Association of Opportunity in Life Insurance — People Seek Security

H. M. Holderness, vice-president in charge of agencies Connecticut Mutual Life, spoke to the San Antonio Life Underwriters Association on "Today's Opportunity in Life Insurance." He stressed the value of the recognition of the stability of life insurance companies which has developed in the mind

of the public through the outstanding record of life insurance companies during the years of the depression. He discussed the investments of the funds by life insurance companies. There are four basic types: (1) Government and municipal bonds; (2) railroad bonds, public utility bonds; (3) home, farm and business property mortgages. People are getting back to work and are in a better position to buy insurance. People are looking for a place where they may invest their money so that they will be assured security in their old age. Mr. Holderness urged the underwriters to present retirement bonds, life income insurance and annuities.

Mr. Holderness also addressed the Dallas Managers Club and the Fort Worth Managers Club.

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Banker Sees U. S. Activities As Helping Life Insurance

NEW ORLEANS, March 14.—Government entrance into the pension and insurance field is likely to enlarge rather than curtail the operations of life insurance companies, "because it will make many thousands of people pension and protection-conscious who have heretofore given little thought to such matters." R. S. Hecht, president American Bankers Association and chairman of the board of the Hibernia National Bank, declared at the sales congress of the New Orleans Life Underwriters Association. He expressed the belief that such a government plan would result in writing "many thousands of new policies in existing life insurance companies." Regarding the carrying of large insurance policies, he said that "time was when the business man who carried a large amount of insurance was so exceptional as to excite inquiry as to his reasons for doing it, but nowadays it is the man who thinks he can do without adequate life insurance who is the subject of inquiry."

Other speakers on the program were L. O. Schriener, Aetna Life, Peoria, Ill., vice-president National association; Horace Mecklem, New England Mutual Life, Portland, Ore.; T. M. Simmons, manager of agencies Pan-American Life; H. E. North, vice-president Metropolitan Life; Carl Marshall, attorney, Gulfport, Miss.; Frank McNally, Massachusetts Mutual Life, Minneapolis, and V. T. Motschenbacher, Sun Life, New Orleans.

Guy O. Lyman, president New Orleans association, presided at the morning session, and W. B. Monroe in the afternoon. Howard Cox was chairman of the general committee.

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Director Moose Talks

LINCOLN, NEB., March 14.—Legislation was discussed by Insurance Director Moose at a meeting of the Lincoln Life Underwriters Association. He emphasized the need for a department appropriation of \$100,000 a year. The director said that while a legislative committee had been named to investigate the department, no formal meeting had been held, no testimony taken and about all that has been done is to ask him a few questions about certain companies. Mr. Moose said that he was convinced this was merely preliminary to passage of a pending bill to appropriate \$75,000 to investigate the department and all companies. He said that while there are a few bad spots that should be cleaned up, it is within the power of the department to attend to these without the wide publicity that would result from a general investigation. He said the department could clean up all bad conditions if given sufficient money for investigations.

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Headliners at Congress

A large attendance is expected at the All Southern California Sales Congress on Monday, in Los Angeles. An array of headliners is on the program, including T. M. Riehle, president National Association of Life Underwriters; Chester O. Fischer, St. Louis general agent

of the Massachusetts Mutual; Vincent B. Coffin, superintendent of agents, Connecticut Mutual; Harold J. Cummings, vice-president Minnesota Mutual; Grant Taggart, million-dollar producer for the California-Western States at Cowley, Wyo. There will be one non-insurance speaker, Rev. James W. Brougher, Jr., pastor of the First Baptist Church of Glendale, Cal.

California—During the absence of President Kellogg Van Winkle, his duties, particularly with reference to pending legislation, are being handled by W. R. Spinney, president San Francisco association; Arch Branic, vice-president, and J. M. Hamill, secretary of the state association.

Toledo—The annual sales congress will be held March 23. G. A. Bredehoff, Connecticut General Life, is general chairman.

Governor Davey and Superintendent Bowen have promised to attend. Other speakers will include Elmer Weimer, John Hancock, Marion, O.; Paul Speicher, R. & R. Service, Indianapolis; C. Vivian Anderson, Cincinnati, past president National association; Eric Johnson, supervisor of the Holgar Johnson agency, Penn Mutual, Pittsburgh; Warren Johnson, Prudential, Cleveland, and Ray Hodges, Ohio National, Cincinnati, president Ohio association.

Ottumwa, Ia.—M. O. Stevens has been elected president, succeeding C. M. Maxwell, who will be national committeeman. S. C. Bartlett and O. G. Gjems are vice-presidents; S. G. Rickard, secretary-treasurer; W. L. Keys, chairman of the board. Wallace Darling, Cedar Rapids, president Iowa association, was the speaker.

Lafayette, Ind.—J. L. Rainey, manager Guardian Life, Indianapolis, speaking at the March meeting, told how his agents secured prospects.

Joliet, Ill.—Dr. S. S. Huebner will address the association at lunch March 21. In the afternoon a round table conference under the direction of Dr. Huebner will be conducted for members. In the evening he will address a citizens' mass meeting in the high school auditorium to which 2,000 tickets will be distributed by Joliet life agents.

Wheeling, W. Va.—A. R. Jaqua of Cincinnati, associate editor of the "Diamond Life Bulletins," spoke at the March meeting on "Prospecting." He stressed the advisability of walking around people that an agent knows to get the names of people that they know and then walking around each individual prospect to discover his particular wants in life insurance. He suggested that the agent instead of asking for names, suggest names for approval.

Atlanta, Ga.—W. B. Bailey, economist of the Travelers, gave the address this week on "Selling Insurance Today." He was introduced by Manager N. E. McKay of the Travelers.

Fort Dodge, Ia.—At the monthly meeting Joseph Lilly and Clarence Blink were named as a committee to take charge of the attendance contest. Winners of the contest will receive a dinner from the losers. President B. J. O'Leary appointed W. E. Cadwell, Raymond Lilly and J. J. Barton on the executive committee. D. P. Smith, advertising and publicity chairman, announced as the program committee L. H. Minkel, A. J. Moe and A. L. Spooner.

St. Louis—T. M. Riehle, president National association, spoke this week.

Kalamazoo, Mich.—The advantages of life insurance over other saving plans were enumerated by C. S. Gray, Battle Creek.

Birmingham, Ala.—The association will present Ernest W. Owen of Detroit as the speaker at the March meeting. He is manager of the Sun Life in his city, the largest producing agency of the company. He has served two terms as secretary of the National Association of Life Underwriters.

Buffalo—A representative of the Curtis Publishing Company will speak at a noon meeting March 28.

F. L. Klingbell of Detroit, Michigan manager of the ordinary department of the Prudential, spoke at a dinner meeting Wednesday evening.

Ashland, Ky.—"Cooperation instead of

competition is the life of the life insurance business," R. S. Moore, assistant superintendent of agencies Midland Mutual Life, declared at a dinner meeting.

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Omaha—E. W. Bralley, general agent New England Mutual Life, Cleveland, spoke at the March meeting.

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Mobile, Ala.—R. H. Kimball, president of the Volunteer State Life, spoke Friday.

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Detroit—John J. Jansen, personnel engineer, spoke on "The Mental Attitude and Financial Success."

Mr. Jansen conducted clinics in a number of Detroit agencies, including those of F. L. Klingbell, Prudential; H. E. Vande Walker, Ohio State; Guy A. Reem, State Mutual; the Will S. Reeve, Union Central, and E. B. Brink, United Benefit Life.

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Sheboygan, Wis.—E. R. Lehmann, Metropolitan Life, is president; E. C. Bryan, Northwestern Mutual, is vice-president and W. F. Patzer, Aetna Life, secretary.

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Montachusetts (Mass.)—At the organization meeting the members, who are from Fitchburg and surrounding cities and towns, elected W. E. Woodruff, president. He represents the Equitable of New York in Fitchburg. Other officers are: A. T. Lynch, vice-president; A. A. Phillips, secretary, and Warren Taplin, treasurer. The last named three are Fitchburg managers for the John Hancock, Metropolitan and Boston Mutual, respectively. The speaker was George H. Tracy of Boston. The new organization has about 100 members.

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Wichita, Kan.—Dr. H. W. Cook, vice-president and medical director of the Northwestern National Life, spoke on "The Attitude of Companies Toward Medical Examinations." A record attendance of 220 was present, including 80 guests from the annual sales school of the Northwestern National in session at Wichita at the time.

The association has announced a gain of 87 members, bringing the total membership to 137 as a result of the February membership drive. R. A. Schroeder, Pacific Mutual, headed a team which secured all but five of the new memberships. Five of the larger offices are now 100 percent.

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Kansas—Plans are under way to organize local associations at Manhattan and Coffeyville within the next 30 days, before the meeting of the annual sales congress, which is scheduled for Hutchinson the latter part of April or early in May. This will make seven local associations, an increase of three since the state association was launched last fall.

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Birmingham, Ala.—Ernest W. Owen, Detroit manager of the Sun Life of Canada and a trustee of the National association, will speak March 16. The Birmingham sales congress will be held in April.

Miss Gena Robertson has been appointed as full-time secretary with offices at 704 Watts building. She succeeds Miss Helen Windham, who has joined the office staff of the Sun Life.

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Northeast Ohio—Dix Teachenor, Kansas City, Mo., millionaire producer for the Kansas City Life, will speak March 23 at a meeting in Cleveland.

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San Francisco—One-day sales congress will be held March 19. Speakers include H. J. Cummings, vice-president Minnesota Mutual Life; Vincent B. Coffin, superintendent of agencies Connecticut Mutual Life; Grant Taggart, outstanding producer of the California-Western States Life, and T. M. Riehle, president National association.

Arthur S. Holman, manager of the Travelers, is general chairman. One of the special features of the congress will be the presentation of certificates to the leading producers of the various agencies. In the past this was a special event with the San Francisco association but this year the event was postponed.

* * *

New York City—Largely as the result of the activities of J. D. Bookstaver, chairman of the membership committee, the paid membership at the close of February totaled 1,011, a greater number than had been reported at any previous time in its history. The record, which is 211 in excess of the previous



ANNUAL STATEMENT

PEOPLES LIFE INSURANCE COMPANY

Frankfort, Indiana

ASSETS

First Mortgage Loans on Real Estate.....	\$4,075,302.00
Real Estate, including Home Office Building.....	791,159.00
Real Estate, Sold under contract.....	177,404.00
Loans on Company's Policies.....	1,834,350.00
Bonds, Government and Municipal.....	279,326.00
Cash in Banks.....	242,014.00
Interest due and accrued.....	172,007.00
Net Outstanding Premiums.....	217,617.00
All other assets.....	64,964.00
Total Admitted Assets.....	\$7,854,143.00

LIABILITIES

Reserve on Policies.....	\$6,637,257.00
Reserve for Losses, No Proofs Received.....	10,722.00
Premiums and Interest paid in advance.....	67,831.00
Reserve for Taxes and Trust Funds.....	178,124.00
Contingency Reserve for Losses.....	190,973.00
Reserve for other liabilities.....	69,236.00
Total Liabilities.....	\$7,154,143.00
Capital Stock.....	300,000.00
Surplus Unassigned.....	400,000.00
Total.....	\$7,854,143.00

• The company has no borrowed money; no deferred policy loans; no unpaid cash surrender values; no unpaid death claims. It has ample surplus and a very strong reserve basis; moderate expenses; very low rates; and stands A-1 in the insurance field.

A MODERN OLD-LINE COMPANY

Attend Life Underwriters' Convention Des Moines Sept. 16-21 . Entire entertainment budget already subscribed by Des Moines home companies.

Why Live Agents Stay With Us

Alert, two-fisted agents stick to the Yeomen Mutual year after year. Because they've found this the "Company of Opportunities" for real salesmen. Modern, "packaged" policies—aggressive selling plans—a "sales-minded" home office—and a 37-year record of strength and sound operation. A number of desirable territories now open. Write.

Cash position today strongest in company's history—60.3% of assets in U. S. Govt., State and Municipal bonds.

YEOMEN MUTUAL LIFE INSURANCE COMPANY

A. H. HOFFMAN, PRESIDENT

Home Office: Des Moines

year's figures discloses 100 percent membership from these offices: Austin agency Aetna Life; Gendron agency Canada Life; Fraser agency Connecticut Mutual; Riehle agency Equitable, and the Hyde agency of the Penn Mutual.

* * *

Chicago—At the sales congress April 18 among the speakers will be Vice-President Henry E. North, Metropolitan Life; Vice-President H. H. Armstrong, Travelers; States Attorney Courtney of Chicago; Miss Sophia Bliven of the women's department of the Penn Mutual Life at the home office agency; A. R. Jaqua of Cincinnati, associate editor "Diamond Life Bulletins," and J. O. Todd, one of the leading producers of the Northwestern Mutual in Minneapolis.

Southern States Local News

View Fate of Burial Outfits

Georgia Ruling Placing Associations Under Insurance Department May Drive Them Out of Business

There is considerable interest in the decision of the Georgia insurance department against the numerous burial associations which are usually conducted by undertaking establishments, virtually putting them under the insurance law, which will drive most of them from business. Several years ago the department ruled that they must put up a legal reserve and some ten of the larger ones arranged with the Gulf Life of Jacksonville to take care of the insurance part of the contracts and carry the reserve for them. Now the largest, the Mutual Burial of Columbus, Ga., has been taken over entirely by the Gulf. The department ruling was to the effect that the contracts could not be issued payable to a mortician.

Moss Active in New Work

White L. Moss, until a few months ago president of the Peninsular Life of Jacksonville, Fla., when D. Lampert, president of the American Life & Accident of Louisville, sold his majority interest in the Peninsular to the Occidental Life of Raleigh, N. C., which retired Mr. Moss as president, has for some time been in charge of the ordinary department of the American National of Galveston, Texas, as supervisor for several states including Kentucky, North and South Carolina, Florida and Georgia. He has just appointed J. R. Anthony, Jr., formerly superintendent of agents of the Peninsular, as state agent of the American National for Florida, with headquarters in the Hildebrandt building, Jacksonville. Mr. Anthony is a son of J. R. Anthony, secretary of the Peninsular Life. Mr. Moss has not yet decided where he will make his headquarters as supervisor of the American National.

Lull in Florida

Life business in Florida is reported being a little dull right now due to the heavy damage done to the orange crops by the drouth and freeze. However, business is still good in spots in the orange region as many ranches were not injured and prices are much higher than usual. Since Florida has had the greatest tourist season in years life men are looking forward to the close of the hotel season when they hope to find a new group of prospects who have profited from the tourist season.

Settle Oklahoma Tax Suit

The Benefit Association of Railway Employees, Chicago, made a compromise payment of \$1,036 to the state of Oklahoma for back taxes and fees. This suit by the state was one of 52 filed against fraternals and mutual associa-

tions. John Wheeler and Creekmore Wallace, attorneys for the state, tendered the money to Commissioner Jess G. Read, who referred the matter to the attorney-general to determine whether the commissioner should receive the money or it should revert to the state treasurer's office.

Substantial Improvement in Disability Experience Shown

(CONTINUED FROM PAGE 2)

another year, the present value will be considerably higher because of the increased life expectancy of the policyholder.

In the New York department's letter previously referred to, Acting Superintendent Behan called attention to the large disability losses of the previous two years, pointing out that "in the case of a mutual company, this means that holders of participating contracts which do not contain a disability benefit or which do not contain a disability benefit of substantial form are being assessed with a large share of such annual deficiencies. . . . I would therefore request that each company give this matter careful consideration and advise me what action, if any, is contemplated to correct this inequity through an adjustment of dividends."

Paid Reduced Dividends on Disability Clause Contracts

Some of the companies having disability losses have followed the department's suggestion and paid reduced dividends to those having income disability benefits in their policies. Others have refused to do so. Without going into the philosophical concepts involved, it appears that none of the practical results which were at first feared for either course have amounted to anything appreciable. Policyholders whose dividends were specially cut on account of disability have apparently not lapsed much on that account but seem to have realized that they were getting more than they were paying for anyway. Nor has there been any revolt among the non-disability policyholders of mutual companies who felt that their dividends were less than they would have been if they had not been paying part of the freight for their disability-insured fellow policyholders.

Seek to Restrain Collection of Tax

(CONTINUED FROM PAGE 3)

to assign, bargain, sell, transfer, encumber or relinquish all rights to title and interest in the policy; that the relationship of insurer does not vest in the company any property, proprietary interest or value in the policy itself.

The reserve is in no sense a profit, the brief states, but instead a fund required by law to be set aside for future distribution to policyholders or beneficiaries and the companies are required by law to maintain this legal reserve inviolate. The county official's theory on these reserves and the continuing premium payments of policyholders was that they represent a market value attractive to other companies as evidenced by reinsurance deals, and on this theory the arbitrary value of \$8 per \$1,000 was set.

The brief said that continuity and protection require maintenance of a reasonable surplus, but no company can or does distribute its entire surplus to its policyholders, instead maintaining an amount for other contingent liability and a margin of safety in event of losses in investment or depreciation of values. All such assets beneficially belong to policyholders.

Charge Erroneous Assumption

The brief stated that the county assessor evidently acted on the erroneous belief that life policies constitute assets of the issuing companies, when, in fact, they are wholly and entirely liabilities

and neither the property of, nor of value to such companies, and do not constitute assets. Moreover, it is pointed out, any such values are permanently located, in the case of foreign companies, outside the state of Illinois. Even on the "good will" or "going value" hypothesis, the brief states, the assessment is void as these factors have a situs for property taxation only at the company's domicile, under the American constitution. The assessment is an attempt to evade Illinois supreme court decisions that capital stock of foreign corporations cannot be taxed in Illinois, the brief states.

Cite Arbitrary Allocation

On the fourth point it is stated that although the assessment notices related that the \$8 per \$1,000 tax bill would be applied against the company's life insurance in force in Cook county, neither the county assessor nor board of tax appeals attempted to ascertain the amount of life insurance which each of the companies had in force in Cook county on April 1, 1933, nor the situs or valuation of any policy or class or group of policies, but relied entirely on annual reports to the insurance department, showing gross premiums received.

The allocation of business in force in Cook county was purely arbitrary, it was stated, being made on the basis of county population in Illinois. The arbitrary factor adopted for the Cook county allocation was 60 percent of the total in force in the state. A further point of attack was the assumption that all policies have equal value per thousand when the form of policy and existence or not of a policy loan cause wide variation in value.

The Cook county officials' theory, if it were sustained, it is feared would spread to other counties in the state and probably to other states, setting up a heavy burden for the life companies.

Notable Program Prepared for Boston Sales Congress

BOSTON, March 14.—The program for the annual sales congress of the Boston Life Underwriters Association, March 27, has been completed. In the morning, Rev. J. L. McGovern, dean of the Boston College Preparatory School, will speak on "Loyalty to Yourself and Your Business." I. S. Kibrick, star producer of the New York Life in Brockton, Mass., on "Myself in 1935," and Osborne Bethea, general agent Penn Mutual, New York City, on "Your Surplus."

The afternoon session will be opened by Sinclair Weeks, mayor of Newton, Mass., on "What We Should Expect of Business." W. L. Boyce, manager Equitable Life, Syracuse, N. Y., talks on "Merchandising Life Insurance Under Present Conditions" and G. J. Kutcher, general agent Northwestern Mutual Life, New York City, on "You're Dead Tomorrow." The Providence Association Players of Providence, R. I. will present a comedy skit, "How to Become a Successful Agent in Three Easy Lessons."

Spaulding Opens Office

R. E. Spaulding, who retired at the end of the year as manager of the Mutual Life of New York general agency in One La Salle Street building, Chicago, has opened an office at 1215 No. 33 North La Salle street to look after his personal business. He was compelled to give up his work on account of ill health, but after two months in Florida he is quite fit. He intends to do considerable business for the Mutual Life.

A. J. Brunner Supervisor

A. J. Brunner, for two years manager of the life department of the Phister agency, has been named field supervisor of the John Hancock Mutual for western Missouri and eastern Kansas. He was general agent of the Surety Life in Kansas City for about ten years before joining the John Hancock. Mr. Brunner will work out of the general agency of C. F. Schuster, new general agent in Kansas City.

NEW YORK NEWS

EUBANK HOST AT OPENING

The new office of the Downtown agency of the Prudential in New York City under Manager Gerald A. Eubank was formally opened. Prudential officials, special agents, managers of other companies and many agents and brokers attending. The new quarters are on the 20th floor of the Bank of the Manhattan Company building, 40 Wall street, commanding a view of New York harbor. They are spacious and well arranged and furnished.

* * *

R. C. RIMINGTON ADVANCES

Robert M. McBride announces the appointment of Robert Critchell Rimington as editorial director of the Dodge Publishing Company, New York City, a house that has been affiliated with R. M. McBride & Co. for nearly seven years. For more than 25 years the Dodge Publishing Company has published gift books, art prints and calendars. Henceforth it will publish books in both the fiction and non-fiction fields. Mr. Rimington is a grandson of the late Robert S. Critchell, notable local agent in Chicago in his day, and for some time was connected with the advertising and makeup department of THE NATIONAL UNDERWRITER at its Chicago office. He went to New York City to become associated with George H. Doran Company and Doubleday, Doran & Co. Since 1930 he has been vice-president of the John Day Company, publishers.

* * *

MANY TAKE INSTITUTE QUIZ

Out of about 70 home office employees of the Bankers National Life of Jersey City, N. J., 28 are registered to take one or more of the examinations of the Life Management Association Institute. Four employees have received diplomas from the institute, three have received certificates, and seven have passed one or more of the four examinations. Of the 28 who will take the examinations in May, four are working on their degrees. Officers of the company are heartily in accord with the aims of the institute and encourage employees to become interested in its examinations.

Chicago Veteran Dies

L. C. Penfield, who has been an agent in the Chicago general agency of the Northwestern Mutual Life since 1905, died this week at his home in Evanston, Ill., where he had lived for a long time. He was a graduate of Andover and next June was to have had charge of the 50th celebration of his class. After graduating at Andover, he entered the insurance business with his father, H. G. Penfield, the firm being H. G. & L. C. Penfield, who were general agents of the Washington Life. He went with the Northwestern Mutual in 1905. His son, Henry D. Penfield, has been associated with him. Henry D. was former city treasurer of Evanston, Ill., and is a candidate for that office this year. He was a candidate for mayor of Evanston two years ago.

J. L. Leonard Made Manager

J. L. Leonard, cashier Seattle office of the General American Life for the past seven years, is appointed general agent of that office.

Low Recovers From Operation

Raymond F. Low, president American Reserve Life, is in an Omaha hospital recuperating from an appendectomy. He waited until the convention for general agents of Minnesota, Iowa, Missouri and Nebraska had been completed before reporting to the hospital. His recovery thus far has been rapid.

The Los Angeles agency of the Connecticut Mutual Life, S. S. Northington, general agent, is holding a school of instruction under S. H. Wood, educational director.

March 15, 1935

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Metropolitan Dividend Setup

Situation This Year Is Somewhat More Complicated Than Usual—Explanation Is Given

The dividend situation this year with the Metropolitan Life is somewhat more complicated than usual. In connection with the dividend scale adopted for the dividend year May 1, 1935, to April 30, 1936, for ordinary policies issued prior to Jan. 1, 1935, the general rule on premium paying policies will be to pay the same dividend in dollars and cents that was paid in the previous year, except on a few policies where the scale for the previous year normally reduces.

Policies receiving a dividend for the first time will receive a dividend slightly less than they would have received under the previous scale.

Under this scale the amount paid will probably aggregate about 6 percent less than would have been paid if the previous scale had been continued.

Excess interest has been declared at a rate equal to the difference between the contract rate and 4 percent.

No change has been made in the practice of paying mortuary, maturity and settlement dividends. These payments will be continued on the same basis as in the previous dividend year.

The tentative dividend scale for policies issued since Jan. 1, 1935, is announced this week. The new scale per \$1,000, for the \$5,000 whole life and \$1,000 whole life paid up at age 85, 20 payment life and 20 year endowment, which are 3 percent policies, is:

\$5,000 Whole Life

Age	End Year				
	2	5	10	15	20
20	\$19.80	\$21.41	\$24.14	\$27.32	\$31.00
21	19.82	21.49	24.33	27.63	31.45
22	19.85	21.58	24.53	27.95	31.90
23	19.86	21.66	24.73	28.28	32.37
24	19.89	21.76	24.95	28.64	32.86
25	19.92	21.86	25.16	29.00	33.38
26	19.95	21.96	25.39	29.37	33.91
27	19.98	22.08	25.64	29.76	34.47
28	20.01	22.19	25.90	30.17	35.03
29	20.05	22.34	26.18	30.61	35.63
30	20.08	22.44	26.45	31.05	36.23
31	20.11	22.57	26.73	31.50	36.86
32	20.15	22.70	27.04	31.98	37.50
33	20.19	22.85	27.36	32.48	38.17
34	20.23	23.00	27.68	32.98	38.85
35	20.28	23.16	28.02	33.52	39.54
36	20.32	23.31	28.37	34.07	40.24
37	20.37	23.49	28.76	34.63	40.96
38	20.42	23.67	29.14	35.21	41.70
39	20.48	23.86	29.54	35.80	42.43
40	20.54	24.06	29.96	36.41	43.19
41	20.59	24.26	30.38	37.03	43.95
42	20.66	24.47	30.83	37.66	44.73
43	20.73	24.71	31.29	38.31	45.51
44	20.79	24.94	31.75	38.97	46.30
45	20.87	25.19	32.24	39.63	47.10
46	21.00	25.49	32.77	40.35	47.94
47	21.19	25.86	33.37	41.14	48.84
48	21.48	26.33	34.09	42.03	49.85
49	21.87	26.91	34.90	43.04	50.93
50	22.42	27.64	35.89	44.19	52.19
51	23.12	28.54	37.03	45.51	53.58
52	24.03	29.64	38.38	47.03	55.18
53	25.15	30.97	39.95	48.76	56.95
54	26.47	32.49	41.72	50.69	58.95
55	28.00	34.23	43.70	52.82	61.12
56	29.63	36.08	45.80	55.04	63.41
57	31.33	37.98	47.96	57.33	65.77
58	33.09	39.97	50.17	59.67	68.20
59	35.04	42.15	52.59	62.20	70.86
60	37.17	44.51	55.17	64.89	73.70

Whole Life Paid Up at 85 Per \$1,000

Age	End Year				
	3	5	10	15	20
20	\$4.02	\$4.18	\$4.70	\$5.38	\$6.08
23	4.34	4.52	5.10	5.86	6.64
25	4.56	4.76	5.39	6.21	7.04
27	4.81	5.02	5.70	6.58	7.48
30	5.16	5.40	6.15	7.14	8.15
33	5.40	5.67	6.52	7.62	8.72
35	5.58	5.88	6.80	7.98	9.14
37	5.78	6.09	7.09	8.36	9.57
40	6.15	6.51	7.62	9.02	10.33
43	6.61	7.02	8.26	9.80	11.18
45	6.97	7.41	8.74	10.36	11.80
47	7.34	7.82	9.24	10.95	12.44
50	8.02	8.56	10.13	11.97	13.53
55	9.69	10.33	12.16	14.22	15.90

MODERN LIFE INSURANCE COMPANY

*Conservative as well
as Aggressive*

N. J. HOLMBERG
Chairman of Board

M. A. NATION
Vice Pres. & Secretary

JULIUS A. SCHMAHL
President

OSCAR HALLAM
Treas. & Gen. Counsel

Robert F. Perry, Manager of Agencies

547 ENDICOTT BUILDING
ST. PAUL MINNESOTA

Ideals

THESE DAYS we hear much about New Deals, Raw Deals, Mis-Deals and Rare Deals, but the conservative steady progress of this Company has been based upon the proposition of a Square Deal to policyholders and agents.

After twenty-seven years we still believe that is the Ideal Deal.

Agency openings in
Illinois, Indiana,
Michigan and Missouri

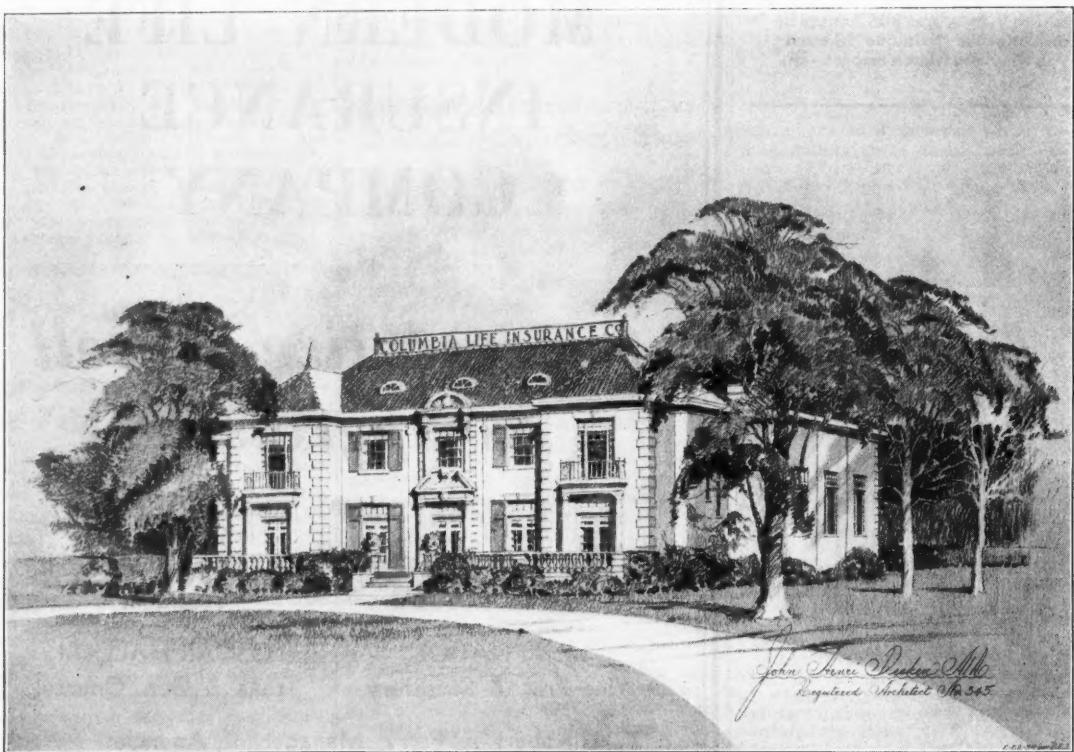
BANKERS MUTUAL LIFE CO.

FREEPOR, ILLINOIS

Founded in 1907

"Creating and Conserving Estates," by Robinson and Woods, explains the cooperation of trust companies with the underwriters in rendering better service to the public. Price, \$3. Order from The National Underwriter.

NEW HOME CINCINNATI'S COLUMBIA



The Columbia Life of Cincinnati purchased an attractive building to be used as a home office. It was erected in 1915 and is of semi-fireproof construction. It

is two stories in height. The building will be extensively remodeled and renovated. It is located in the Walnut Hills residential section of the city on East

McMillan street opposite Woodburn avenue. It is now used as a club but can quite easily be adapted for use as a home office structure.

**70 millions
in seven years**

Bankers National Life Insurance Company, the Company that reached the seventy million mark in seven years is organizing now for further expansion.

NEW General Agents are NEEDED

They should be in training now. To a limited number of men who have certain qualifications, aspirations and present limitations, the Company

will give its Special Contract for Prospective General Agents and the kind of help and service which makes success not only possible but probable.

THE QUALIFICATIONS:-

Between 25 and 45 years of age.
Not less than \$100,000 of paid personal production in 1934.
Some evidence of organizing ability.

THE ASPIRATIONS:-

An ambition to build financial independence through the medium of a successful General Agency.

THE PRESENT LIMITATIONS:-

Lack of any opportunity in the next few years of a chance to show ability to be a General Agent for your present connection.

If this describes you and you live in Western or Northern Pennsylvania, North or South Jersey, Maryland, Delaware or Western Massachusetts, it may pay you very well to write to

Wm. J. Sieger, Vice President and Supt. of Agencies

Bankers National Life Insurance Co.

910 Bergen Ave., Jersey City, N. J.

All communications will be held confidential.

Illinois Bankers Staff Additions

(CONTINUED FROM PAGE 3)

years with the company he was the working head of the agency department.

He resigned in 1920 to open the first branch office for the Missouri State Life in Chicago. In 1926 the agency produced over \$8,000,000. He resigned in 1927 to take the management of the Connecticut General in Chicago, and at that time the Missouri State had over \$30,000,000 in force, group cases numbering 51, a large volume of health and accident premiums and a full time agency force of over 20 men. He served the Connecticut General four years and then entered the brokerage field and for a number of years devoted his efforts to personal production, averaging over \$750,000 in life insurance, in addition to producing a large volume of general insurance. In 1932 Receiver Abel Davis secured him to go to the home office of the Illinois Life to act as his insurance expert in handling the affairs of that company.

Takes Broad View of the Statute on Beneficiaries

A construction of the law, restricting the beneficiaries that may be named in a fraternal certificate, has been made by the California district court of appeals, first appellate district, in Comegys vs. National Union Assurance Society et al.

Lloyd Comegys was the insured. His sister was the named beneficiary. His daughter, a minor, sought the proceeds. The California statute governing the naming of beneficiaries in fraternal certificates reads in part: "Payment of death benefits may be made only to the member's wife, husband, relative by blood to the fourth degree, provided further, that if the member has no wife, husband or children, then such member may designate any person as may be permitted by the society."

The daughter contended that the statute means that if the assured has a wife, husband or children, that assured may not name some other beneficiary within the classes of persons mentioned in the first part of the statute. The court, however, says that the proviso merely eliminates the restrictive provisions of the first part of the statute in the event that the assured has no wife, husband or children.

The daughter furthermore alleges an obligation on the part of the assured for her support, based upon a divorce decree procured by her mother. The court held that her position was merely that of a judgment creditor. In the absence of fraud or statutory provision to the contrary, any life insurance taken out by the assured in favor of another is payable to the named beneficiary as against the creditors and personal representatives of the assured. Judgment for the sister was affirmed.

Records Must Be in English
The Illinois department in examining fraternal societies where the members are largely those of foreign extraction and birth is demanding that the minutes and records be kept in English. It is found in a number of cases that the minutes are written in a foreign language. Some of these fraternals make it a rule to have all their supplies printed in both languages so that policyholders can understand what is presented if they do not speak English. There are a number of foreign speaking fraternal organizations in Illinois.

Number of Directors Unlimited
SANTA FE, N. M., March 14.—A law permitting domestic companies to have an unlimited number of directors and requiring a minimum of three was passed by the legislature, which has now adjourned. The number of directors was formerly limited.

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March 15, 1935

NEWS OF THE FRATERNALS

Changes to 3 Percent Basis

Lutheran Mutual Aid Recognizes Probability of Low Investment Return for Some Time

The Lutheran Mutual Aid of Waverly, Ia., one of the important fraternals in the west, at its annual meeting unanimously voted to change its interest assumption from 4 to 3 percent. All certificates will be continued on the American Experience table. This will not of course affect policies in force but applies to new business written after a certain date to be determined as soon as possible.

This action indicates conservative agreement among fraternals, acknowledging that the rate of interest earned in years to come will probably not be as much as in the past. Many of the large companies recently changed their interest assumption from 3½ to 3 percent. Others on the 3½ percent basis probably will change to 3 percent in due season.

Society Makes Progress

Notwithstanding the Lutheran Mutual Aid is in good shape financially, it has looked to the future. Its valuation report shows that it is in the best condition in its history. Its assets have increased and its interest earnings for 1934 were 4.72 percent. This record is made in spite of the fact that no credit was taken for any interest on defaulted bonds and all doubtful interest on mortgages was written off. Its mortality continues favorable, the percentage being 33.49 percent. Its surplus has increased to \$821,536, giving a solvency ratio of 118.18 percent.

"We felt that we could not ignore the continually decreasing interest returns on new investments," Walter G. Voecks, secretary-actuary stated, "as well as the possibility of fraternal taxation which is being proposed in practically every state legislature. We felt we owed it to our members to keep the condition of the society perfectly sound at all times, and that we should not permit our present excellent condition to obscure the dangers of a protracted low interest era."

Could Adjust Dividends

"Should interest earnings return to a higher level, and should our surplus increase, we always could increase our dividends, so the net cost of insurance can be kept to a minimum, regardless of the basic interest assumption, and in that event the members would still be receiving their insurance at cost."

Mr. Voecks said that to the best of the knowledge of the society's officials, it was the first to place all certificate forms on the 3 percent basis.

Appoint 400 Chairmen for Fraternal Day Observance

Some 400 chairmen have been appointed by groups of fraternalists throughout the country to conduct the National Fraternal Day observance April 29, according to advices from Mrs. Elizabeth M. Mehan of Milwaukee, chairman of the publicity committee of the National Fraternal Congress. Celebration of the day is sponsored by the N. F. C., which has prepared a standard program sent to the chairman.

This program includes a short radio address and a fraternal pageant which Mrs. Mehan wrote at the suggestion of Judge J. C. Karel of Milwaukee, president of the N. F. C. Advertisements for insertion in local papers also were prepared. It is expected that the observance this year will be on a much larger scale than ever before.

W. O. W. of Denver Reports

President Gilroy Notes Strong Liquid Position, Growth in Resources During 1934

Gain in resources of more than \$4,000,000 was made in the last four years by the Woodmen of the World, Denver, the annual statement shows. From organization at Denver in 1890 to Dec. 31, 1934, claim payments total \$73,844,243. Admitted assets Jan. 1, 1935, were \$13,594,381.

President Peter F. Gilroy stated that mortality ratio in 1934 was 9½ points lower than in 1933, and the net rate of interest earned on investments 5.23 percent. Legal reserves of \$10,965,621 are buttressed by substantial reserves for investment and mortality fluctuation, as well as for general contingencies.

Cash, Government Bonds

The W. O. W. carries in its investment portfolio state, county and municipal bonds amortized at \$11,121,882. This, in connection with \$771,305 cash and U. S. government bonds, places the society in very liquid position.

No industrial stocks and bonds or railroad and public utility bonds are carried. Policy loans and liens total \$1,198,244. There are no first mortgage real estate loans. Premium payments collected for December totaled \$223,184. Interest due and accrued was \$219,467.

Investment contingency reserve was \$895,034, reserve for 1935 refunds \$253,855, reserve for mortality fluctuations \$269,260, reserve for general contingencies \$350,000, advance payments by members \$64,764, pending claims \$156,880, other known liabilities \$249,402, and surplus for additional safety \$389,562. No borrowed money was listed.

O'Malley to Continue Fight for Control of Fraternals

JEFFERSON CITY, MO., March 14.—Superintendent R. E. O'Malley has announced that he will continue the fight to gain complete supervision of fraternals regardless of the action of the state senate committee on insurance which is now considering the insurance code. It is expected that the committee will not recommend the fraternal control provision.

In discussing the fraternals' fight on the proposed insurance code, Superintendent O'Malley was bitter in his attack on the opposition to his efforts to put them under state regulation.

Mr. O'Malley's chief objection is that societies are permitted to alter provisions in their policies through amendment to their bylaws at any time that they may wish.

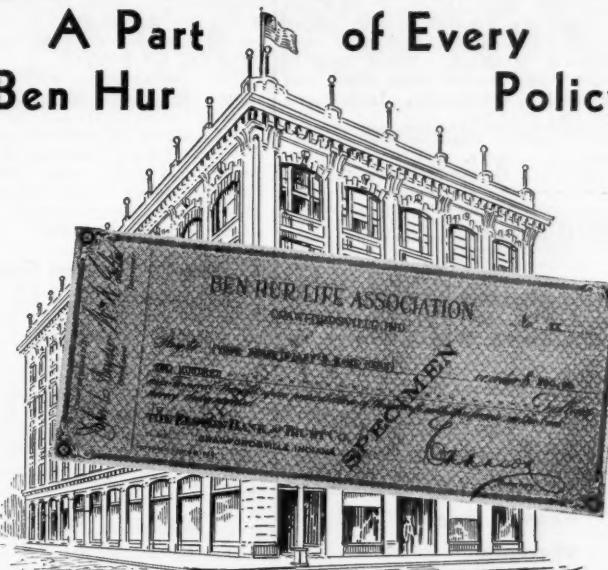
Mr. O'Malley said that he would ask other states to join his fight for state supervision of fraternal societies at the commissioners' meeting in Seattle.

The fraternals have been using strong influence in fighting supervision under the code. Legislators have been receiving many letters and telegrams from their constituents objecting to the inclusion of the fraternals in the code.

Ben Hur Life Statement Shows Current Condition

Annual statement of the Ben Hur Life, Crawfordsville, Ind., shows admitted assets \$9,369,326; liabilities except reserves and surplus \$173,952; total income in 1934, \$2,280,263; total disbursements, \$2,813,350. Reserves were \$8,239,165; valuation surplus, \$855,624. Business written and additions last year totaled \$19,578,867 and in force Dec. 31, 66,376 certificates for \$53,717,-

A Part of Every Ben Hur Policy



Fourteen years ago the Ben Hur Life Association, in line with its consistent policy of prompt settlement of claims, patented the above type of check as an integral part of every Ben Hur adult contract. It is for one-tenth of the face amount of the policy and, when necessary, can be cashed at local banks IMMEDIATELY after the death of the policy holder. Furthermore, red tape has been eliminated and the sun never sets on an unpaid just claim at the Home Office.

BEN HUR LIFE ASSOCIATION

Founded: 1894

Home Office: Crawfordsville, Indiana

John C. Snyder,
President

Edwin M. Mason,
Secretary

ADDS ANOTHER RECORD YEAR



1934 was a record year for the Aid Association. It closed the year 1934 with the largest membership and the largest amount of insurance in force and in the strongest financial condition in its history. Here are some of the facts and figures as of December 31, 1934:

Total Assets, \$16,678,098.25

A gain of over \$1,100,000 for the year 1934

Insurance in Force, \$144,757,747 (Both Departments)

A gain of over \$13,000,000 in twelve months

Membership, 123,805 (Both Departments)

A net gain of 12,015 members since January 1, 1934

New paid-for insurance written in 1934, \$24,123,300

An increase of 22 percent over 1933

Believes in the future of Fraternal Legal Reserve Insurance

AID ASSOCIATION FOR LUTHERANS

APPLETON, WISCONSIN

Alex. O. Benz, President
Wm. F. Kelm, First Vice-President

Wm. H. Zuehlke, Treasurer

Albert Voecks, Secretary

Aggressive and Progressive

*Our record speaks for itself.
Splendid territory still available.*

LUTHERAN BROTHERHOOD

HERMAN L. EKERN, Pres.

608 Second Ave. S.

Minneapolis, Minn.

352. There was \$1,558,580 received from members. Benefits paid were: Death and disability \$841,555, cash withdrawals \$148,426; total benefits paid since organization were, death and disability only, \$32,729,064. Investment income was \$592,809.

Average age of adult certificate holders was 47.4 years, and of juveniles, 9.4; deaths per thousand, 16.51 and 3.2.



Six Modern Legal Reserve Contracts

- Ordinary Life
- Twenty Payment Life
- Endowment at Seventy
- Twenty Year Endowment
- Family Income
- Juvenile

These contracts are participating, and provide all standard non-forfeiture options.



Operating for forty-four years in California, Oregon, Washington, Colorado, Idaho, Montana, Nevada, Utah, and Wyoming.

• • •

Write for particulars and open territory to

PETER F. GILROY, President
1447 TREMONT STREET
DENVER, COLORADO

DISTRICT MANAGERS WANTED IN WISCONSIN, IOWA AND MICHIGAN

Old established Legal Reserve Company on account of agency expansion has openings in choice territory for several district managers.

CAN YOU QUALIFY?

All replies held confidential. Our own men know of this ad.

Address B-52, National Underwriter

respectively. Rate of interest earned was 5.98 percent; ratio of actual to expected mortality 73.89 percent. The society had 824 lodges.

The assets (junior and adult departments combined) included: real estate (market value) \$379,322, first mortgage loans \$64,100, municipal, county, road and school bonds \$6,920,256, real estate bonds and debentures \$401,733, cash \$166,863, policy loans \$770,056, interest and rents due and accrued \$302,203 and all other assets \$364,789.

Report Societies Exempted

The occupational tax bill (House bill 237) filed recently in the legislature of the state of Washington, was amended in the committee on revenue and taxation, following hearings, to exempt solicitors of fraternal societies, according to advices received by the National Fraternal Congress headquarters at Chicago. The bill, with many amendments, is reported to have been passed by the House.

Nebraska Bill Passed

The Nebraska house passed a bill substituting for the present law, permitting a majority of members present at a called meeting to decide to transform a mutual or fraternal into a stock company, the recorded vote of two-thirds of the membership voting at an election in which at least two-thirds of the total membership participates. The insurance director would have charge of preparing the ballots, sending them out and canvassing the result. The house committee on insurance reported out favorably a bill providing that whenever a mutual or fraternal votes to become a stock company, thereafter all laws applicable to stock and legal reserve companies are applicable to its operations.

Taylor on Coast Trip

President G. L. Taylor of the New Era Life of Grand Rapids, Mich., left Sunday on a six week vacation trip in California. He will visit with his son, Howard Taylor, who is professor in the engineering department at Stanford University, Palo Alto, Cal. During his absence Vice-President and General Attorney Dale Souter will act in his place.

Royal Highlanders Statement

Total assets of the Royal Highlanders of Lincoln, Neb., as of Dec. 31 were \$4,038,358, the annual statement shows. Total received from members was \$463,701. In ledger assets were loans and real estate \$1,434,317, bonds \$2,060,675, liens, loans or other credits on certificates \$74,465, cash \$351,681. In disbursements were death claims \$205,174, participating dividends \$35,664, total benefits paid being \$258,356. Total liabilities were set at \$2,175,389. Ratio of assets to liabilities was 187.02 percent. Net rate of interest earned 4.71 percent. Mortality was 55.16 percent of expected.

To Observe 40th Year

The 40th anniversary of the A. O. U. W. of North Dakota will be celebrated July 18. A campaign has been started to secure 3,000 new members by that time.

Annual Figures Reported

Assets of the New England Order of Protection at the end of 1934, totaled \$3,496,532. The bond account shows utilities \$981,339, railroads \$388,197. Canadian government \$108,682, U. S. national and local government bonds \$421,493. The cash was \$162,436, premium loans \$78,996, real estate owned \$274,700 (market value), mortgage loans \$936,780.

A. O. U. W., Kan., in Big Year

The A. O. U. W. of Kansas last year had issued \$4,567,900 paid new certificates on adult lives and \$968,632 on juveniles, total new certificates issued being \$5,536,532. This was over \$750,000 greater than in any year since 1919 when the legal reserve basis was adopted, and more than \$1,000,000 increase over 1933.

Mortality experience was good. Not a single first year death claim was made. Total paid out on death claims was \$525,385 on 378 deaths.

Henry A. Lee Dies

Henry A. Lee, 65, for the past year district manager at La Crosse, Wis., for the National Mutual Benefit of Madison, Wis., died at a hospital in La Crosse after an illness of five weeks. He spent the greater part of his business career in fraternal life insurance work. He was deputy for the Modern Woodmen of America, later district and state manager for the Brotherhood of American Yeomen of Des Moines, and since February, 1934, was district manager for the National Mutual Benefit.

Miss McEntee Appointed

Miss Bertha C. McEntee of Erie, Pa., has been appointed to fill the unexpired term of the late Mrs. Joanna A. Royer as supreme recorder of the Ladies Catholic Benevolent Association of Erie, or until the supreme council convention in July, 1937.

Polish National Alliance Examined

The Polish National Alliance of Chicago, one of the large fraternals of the country, has just been examined by the Illinois department.

ACCIDENT—HEALTH

Boston Claim Men's Meeting

At the March meeting of the Boston Life & Accident Claim Association the speaker was S. S. Ridgely, mid-Atlantic supervisor for the Hooper-Holmes Bureau of New York City. He recited some of his experiences in handling claims where fraud rings were involved. He spoke of the valuable assistance that has been rendered by the postal authorities in taking action against fraudulent claimants who have been using the mails to present their claims. He has been doing considerable work in Washington, D. C., in connection with the pending legislation involving the Bureau of War Risk Insurance. He explained the important subjects pending before the bureau connected with the handling of insurance claims under life, accident and health policies.

Meeker Made County Manager

Ursul C. Meeker, Bloomington, Ill., has been appointed general manager for McLean county by the Mutual Benefit Health & Accident and United Benefit Life.

Schindler District Superintendent

The Old Line Life, Milwaukee, has appointed Charles A. Schindler, Monroe, Wis., district superintendent of the accident and health department. He has been a member of the H. L. Schindler general agency of Old Line Life at Monroe and will concentrate on health and accident in the future.

New Orleans Promoters Sued

The bankrupt brokerage firm of Curtis & Sanger of Boston has filed an action at Shreveport, La. against 36 organizers of the defunct Insurance Securities Corporation of New Orleans. This was the holding company for the Union Indemnity, LaSalle Fire, Detroit Life and other institutions. Recovery is sought on the ground that there was a conspiracy to sell stock in the Insurance Securities Corporation by paying dividends that were not warranted by the results of the subsidiaries. Curtis & Sanger claim they were ruined by the collapse.

G. T. Vermillion, manager, and P. G. Gibson, agency organizer, of the Milwaukee office of the Mutual Life of New York, spoke at an agency meeting of the Appleton, Wis., district under James Balliet, manager.

AGENCY NEWS

Embry Agency Celebrates with \$5,991,000 Production

In honor of A. M. Embry's 25th anniversary as manager at Kansas City, Mo., for the Equitable Life of New York, his agents produced \$5,991,452 business in February on 1,736 completed applications from 195 agents. This doubles the record of number of applications in one month. Mr. and Mrs. Embry were at Hot Springs, Ark., during the campaign and on their return were presented with the results at a banquet attended by 250. Among the distinguished guests were:

G. E. Tarbell, director and former vice-president of the Equitable; W. M. Rothaermel, superintendent of agencies central department, Chicago; W. V. Woody, Chicago agency manager; R. M. Ryan, Detroit agency manager; M. C. Nelson, agency manager of Des Moines; M. A. Nelson, St. Louis agency manager; Forrest Croxson, Omaha agency manager, and Dr. G. B. Van Arsdell, home office instructor, and E. L. Carson, agency manager, Milwaukee.

The Hays, Kan., district, a new one, produced eight of the 16 agent leaders, all with 25 or more apps. District Manager Arthur Hemphill led in number of apps; George Hower of Hays was agency leader with 59½ apps; Archie Goodchuck, Hays, second with 53½. The district produced 354 applications for \$840,000. The second district was St. Joseph under District Manager Lee Wandling with 221 applications for \$703,000; third, Wichita, G. J. Woodward, 216 applications \$1,019,642, and fourth, Pittsburgh, Kan., F. G. Holderman, 192 applications for \$625,575 business. Mr. Woodward was campaign manager and toastmaster.

Ryan Agency's Big Total

The R. M. Ryan agency of the Equitable Life of New York in Detroit produced 962 applications for \$2,684,046 of business in an 18-day campaign in February, observing the 25th anniversary of the agency. There were 181 agents contributing to the total. The leader in number of applications was H. G. May, 30; second, E. A. Schwaub, 27½. Vice-president F. L. Jones and Gage E. Tarbell, director and former vice-president, were among the speakers at a dinner ending the drive. Others attending were Agency Managers E. L. Carson, Milwaukee; E. H. Liephart, Buffalo, formerly of the Detroit agency, and William Rothaermel, superintendent of agencies central department, Chicago. Mr. and Mrs. Ryan were presented a handsome silver tea service on behalf of the agents by C. P. McLain, supervisor in the agency and campaign manager and toastmaster.

Fraser Talks on Investments

P. M. Fraser, executive vice-president Connecticut Mutual Life, spoke to the G. A. Helland Agency of the Connecticut Mutual in San Antonio, Tex., on "Present Investment Problem of Life Insurance Funds."

White Is Dallas Speaker

E. F. White, general agent Connecticut Mutual Life, in Dallas, addressed the Dallas Sales Managers Club on "Training Salesmen."

McCaughay's Sales Congress

W. F. McCaughay, general agent of the Northwestern Mutual at Racine, Wis., is to hold a sales congress solely for his district agents March 15. There will be a business session in the afternoon and a dinner at which special agents will attend. H. H. Poindexter, assistant director of agencies, is to be one of the principal speakers and W. W. Lundgren, supervisor to Mr. McCaughay, also will talk.

SALES IDEAS AND SUGGESTIONS

Center of Influence Method of Prospecting is Explained

By A. J. JOHANNSEN

Methods of developing and employing "centers of influence" are discussed in the accompanying article by A. J. Johannsen, C. L. U., unit manager Hobart & Oates general agency, Northwestern Mutual Life, Chicago. He is director of the life insurance course in Northwestern University, president Chicago chapter of C. L. U., and national president Theta Xi fraternity. Mr. Johannsen is a Stanford University graduate.

That elusive "center of influence" about which one hears and reads so much in relation to life insurance selling these days—what is it—how does one go about getting it—how is it employed?

The answers to these questions are hidden to a great many life insurance agents, although they may in fact be using the center of influence prospecting method without being aware of the fact. This being a nation of catchwords and phrases perhaps this is an old problem with a new title.

Old Time "Bird-Dog" Is Not "Center of Influence"

For many years life agents made use of what they called "bird dogs" in turning up business. The "bird dog" usually was a man of influence with many contacts in the community, as a rule the banker, who knew the financial condition of his clients and their life insurance needs and ability to pay premiums. He assisted the agent either directly or indirectly in placing life insurance. In smaller communities frequently he went out with the agent to selected clients of his bank and helped to drive home the need for more life insurance.

Frequently he intimated that the bank might look with more favor upon the prospect's loan at renewal time if the further protection of life insurance were provided. The "bird dog" was a man who generally participated in the commission on the policy, the amounts varying from 5 to 10 per cent in the case of a mere tip, giving name, address, financial setup and perhaps the life insurance needs of the prospect, up to an even split if the case was handled jointly.

Type Sought Is Influential Person Acting Without Fee

But the "bird dog" was not properly a "center of influence" as it is known today. The "center of influence" is a man or woman of many activities, influential, with a wide acquaintance, who directly or indirectly, knowingly or unwittingly, gives tips and assists the life agent in making sales; whose aid is voluntary and without hope of reward; who is thoroughly sold on the benefits of life insurance and desires to have his acquaintances and business associates also properly protected.

He is elusive because he does not take any standardized form. He cannot be accurately described so any agent can go out and look for him; he is recognized only when he is found by the agent. He is usually a person who is unwilling to have his assistance commercialized, who would rebel at the thought of a working arrangement with the agent to turn in names regularly and give endorsement promiscuously to his friends and associates or to pass out letters of introduction broadcast.

It is generally recognized that the "center of influence" prospecting method is a fundamental necessity of success in life insurance selling. The big producers

use this plan, extending their influence outward from a few "centers of influence" securing others from these, so that they have developed an inexhaustible source of prospects. Continuous replenishing of the prospect list is recognized as one of the prime requisites in the business today. But this must be done intelligently, with names of people who need life insurance, can afford to buy it and appear to be able to pass the medical examination. These are facts which the "center of influence" knows, but which are so difficult for the agent to determine in advance of the call. Thus the effectiveness of the center of influence plan.

Centers of influence may be developed either in daily selling or by outside activities. In daily work an agent must be ever watchful for the possible center of influence. When encountered they must be handled with great care. Many men find it profitable to give painstaking thought to the development of such a contact. Service should be rendered unselfishly and the man convinced that every phase of his personal insurance problems has been given careful thought. In addition most successful producers find it valuable to do those numerous little personal favors that cement friendships, the personal touches that prove thoughtfulness and a genuine desire to be of assistance.

Best Sources Are Developed Outside Insurance Work

The point is made by many practical teachers of new agents, however, that the "center of influence" is best developed in activities outside of life insurance. Men who themselves are "centers of influence" engage in activities outside of their own business and have leadership qualities. If they can be contacted in such activities on the common ground of mutual interest the friendship naturally leads to business favors.

Valuable as outside activities may be as a source of contacts, an agent must be careful in choosing his field of activity. He should confine his efforts to the activities he is enthusiastic about by his natural interests, avoiding artificiality. Unless he has enthusiasm he cannot become a leader in the activity, he cannot properly develop the friendship or admiration of others in the same field, he cannot rise above mediocrity.

A story told me by a prominent lawyer from Oregon, who was a true lover of fine paintings, illustrates the value of a center of influence. He happened to be admiring a fine painting in the Metropolitan Art Gallery in New York City, when a quiet little man who was doing likewise, struck up a conversation. Instantly they recognized one another as fellow connoisseurs. They had a good visit, discussed artists, paintings, their likes and dislikes. When the attorney was about to leave the little man asked him to stop on his way home at St. Paul, Minn., to see his private collection.

It turned out he was James J. Hill, the railroad magnate. A lifetime friendship developed. Mr. Hill's railroads had law firms who had been doing their work for years and the attorney practiced in distant Oregon. The attorney knew all these facts, yet the two men became fast friends because of their mutual love for paintings. Ten years later when Mr. Hill got into his famous legal battle with Harriman, he sent for his attorney friend in Oregon person-

ally to represent him. The case dragged out for two years; the attorney's fee exceeded \$100,000.

In the opinion of life insurance educators and practical agency supervisors, the method to avoid in developing a center of influence, even though he thoroughly qualifies for this function, is to come out point blank at the beginning of the interview and ask him to supply the names of a few friends and associates. The average man is not vitally interested in the business or success of the life agents. When asked point blank for names of prospects he rarely can think of any, even if so inclined. Moreover, most men hesitate to send life agents to their friends because of the possible reaction. This is especially true when the agent asks for a letter or card of recommendation, or an actual introduction. The "center of influence" usually must be handled far more subtly than that.

Most Successful System Is Natural Sales Talk

The accepted method is first to sell him life insurance, either an actual contract or the whole idea of life insurance protection, even though the man is not or could not actually be signed up. Sales talks have been designed especially for the purpose of employing "centers of influence" as a means of getting prime prospects. They are much like the talks designed to end in a sale. The agent may deliberately select for this interview persons who, he knows, have no need for additional life insurance, the sole purpose of the call being to get names.

One of the most successful planned interviews for the purpose starts out with the challenging statement that the best sold idea is to own some life insurance; the worst sold idea is to see a life insurance agent.

Some agents find it very practical to have "centers of influence" listed on a different colored card in their prospect file. This method tends to bring these men to their attention often, permits a quick survey if the agent wants an introduction to a certain man, gives him an estimate of how well he has developed this fertile source of new prospects.

With an estimated 80 percent of the ordinary life business written on friends, acquaintances and friends of friends, the problem of developing "centers of influences" is worthy of the most profound thought and energetic sales work.

Gives Prospecting Hints

The Acacia Mutual Life gives a number of practical suggestions as to sources of prospects. The agent is advised to write a list of every one he sees in church who would be a prospect. Then, necessary information can be obtained from the minister.

Fellow-workers on a charity drive are good prospects. Men attending night school are ambitious and will listen to a presentation. Friends and associates of men who recently died are good prospects. Sons and brothers of rejected applicants are also suggested.

Those who are benefiting directly or indirectly from the various alphabetical agencies of the government are prospects. The suggestion is made that the agent call upon all the men listed in the telephone book of the same name as the agent.

\$1,000 Bill Good Argument

Horace Mecklem, general agent New England Mutual, Portland, Ore., told the New Orleans sales congress that he has a habit of carrying a \$1,000 bill when making a sales talk to impress a prospective applicant for life insurance, comparing annual premiums to installment payments looking toward the acquisition of the \$1,000 note.

SALES IDEAS OF THE WEEK

Leaders in the field presented many effective sales ideas at an Ohio sectional sales congress sponsored by Columbus Life Underwriters Association.

Raymond Pfeifer, agency supervisor Metropolitan Life, declared a life insurance policy is a very pliable instrument. It can be used as collateral and can be made payable in one sum or a little at a time. When dependents no longer need protection, he pointed out, it can be turned into an income for the one who takes it out.

"A Bunch of Keys," was presented by E. W. Owen, Detroit manager Sun Life of Canada, as follows: Time, knowledge, imagination, work, will power, concentration, philosophy of life, opportunity, faith, cooperation, and achievement and said that any one who observes these will be successful.

W. M. Rothaermel, superintendent of agencies central department Equitable Life of New York discussed "Building Your Ladder of Success," explained how a million-dollar producer conducts his business. It is a long, slow, gradual development, said Mr. Rothaermel. Business principles must be applied to underwriting, he declared. Life insurance is not all actuarial tables and premiums but a real service, that helps those in need.

* * *

S. S. Herwitz, Mutual Life of New York, Cincinnati, urged a complete analysis of sales on the part of every life insurance writer. He pleaded for steady, consistent work. Having set a minimum of eight sales a month, the speaker declared that his aim is to sell lives rather than volume. Sales are proper only when they are made in a correct manner, when they are in the proper amount, when it is the right kind of insurance, when the sale is made at the proper time and to the proper person. Every sale should cover a specified need and should be in the proper amount.

Mr. Herwitz said that to bring about his minimum of eight sales a month, he had planned 100 interviews, which he divided as follows: 32 sales interviews, 53 service interviews and 15 new contact interviews. By means of the last named, he pointed out, he was planning for the future.

* * *

"Among a certain type of prospects, there is a tendency to be nice to insurance salesmen and to let them down easy, so to speak," says W. H. Southwell, United Mutual Life agent in Philadelphia. "Being nice becomes an armor that is difficult to penetrate and even fools the veteran insurance salesman."

"A prospect of this type habitually informs the insurance salesman how sorry he is that he cannot afford any insurance at this time and is sorry he can not favor him with an application, but will keep him in mind and will call him when he becomes more prosperous. This method of 'kissing the salesman out of the office' is very effective. This stereotyped promise is made to prevent further discussion and usually sends the salesman away in a friendly mood and sure he has a good future prospect. This is a good stunt for the prospect, but just 'too bad' for the salesman."

"When this type of prospect tries to give you the 'run around' story—I would like to favor you today by taking a good-sized policy, but can't afford it now. Come back in about six months'—try this on him: 'Favor me? Why, Mr. Prospect, I'm here to do you a favor—to help you and your loved ones. I guess I didn't do a good job

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THE BOURSE PHILADELPHIA

in getting that point over.' And then give him five or six reasons why he should sign the application at once. Give him a good pep talk and enthusiastic sales talk in a good-natured way that will remove any irritation he might feel over the failure of his 'pet' excuse. Then watch the favorable results."

**New Code Limits
Acquisition Cost**

(CONTINUED FROM PAGE 1)

try cash surrender values are limited to one-fourth of the aggregate life and annuity premiums of the company during the calendar year.

Under section 220, required provisions, the incontestable clause allows the company to contest for nonpayment of premiums and for violation of the conditions of the policy relating to military or naval service in time of war, but fails to mention aviation risks.

The American Annuitant's table with interest of 3 1/4 percent is set up as the standard for valuing annuities.

Halts Premium Deposit Plan

Under section 229, the practice of accepting premium deposits is checked. No deposits may be accepted beyond the amount sufficient to make the policy fully paid. The deposit must be included as a part of the cash surrender value, and the deposit is not available to the policyholder except by surrender of the policy or by policy loan.

Exemption of cash values from the claims of creditors against the insured is established up to \$10,000, if the policy or annuity is payable to a wife or husband, child, parent, or other dependent, without regard to the power to change the beneficiary. This is in section 227. In section 230 trust settlements are freed from the claims of the creditors of the beneficiary without limit.

Limit Contingency Fund

Contingency reserves of domestic (Illinois) companies are limited to 20 percent of the net value of its participating policies, when such net values are less than \$100,000, or to \$10,000, whichever is the greater. When the net values are more than \$100,000, the percentage is decreased one-half of 1 percent for each \$100,000 up to \$1,000,000; one-half of 1 percent for each \$1,000,000 up to \$10,000,000; one-half of 1 percent for each additional \$2,500,000 up to \$15,000,000; "and if said net values equal or exceed the last mentioned amount, the contingency reserve shall not exceed the 10 percent of thereof."

Reserve Deposit Plan Ended

Deposit of reserves by Illinois legal reserve companies is ended by the new code, except as to policies already registered.

The new code is much more favorable to the organization of new assessment life companies than the original draft. At the code hearings much was said in favor of properly run and well regulated assessment companies. In the revised code the article on assessment insurance has been much expanded and rearranged and the organization of a new company made more feasible on the "assessment legal reserve basis." The reserve requirements seem obscure. Section 249 provides that the "basis" for minimum reserve shall be the American Experience Table at 4 percent, but there is no provision that the reserves shall equal the American Experience Table at 4 percent.

Must Deposit Reserves

Reserves of assessment companies must be deposited with the director of insurance, although the deposit of reserves by legal reserve companies is terminated. Easy conversion to the legal reserve plan is provided for.

Many changes requested by the fraternals are found in the revised code but none effect serious changes in the methods of operation of the fraternal orders.

Mutual benefit societies also secured concessions, or at least modifications

from the original code, but the organization of new mutual benefit societies, or admission of those from other states, is forbidden. Those demanding a \$5 membership fee, to be used for expenses were accommodated by raising the limit to \$6, with a provision that not less than \$1 out of any membership fee must go to the benefit fund. The benefit fund however must be kept intact, which will considerably decrease the cream in many societies.

Benefits Reduced at Higher Ages

The societies did not succeed in eliminating the requirement for reduced amounts of insurance at upper ages. The amount of the benefit is reduced not only for members entering at the higher ages, but for those who attain the higher ages while members. Furthermore, the limitations must be printed on the certificates. The benefits allowed are \$200, ages 1 to 5 years, \$500, 6 to 10 years, \$1,000, 11 to 40 years, \$800, 41 to 45 years, \$500, 46 to 50 years, \$300, 51 to 55 years, and \$200, 56 to 60 years. All the benefits are for a reduced amount during the first four months of membership.

Burial Societies Regulated

Burial societies are brought up with what will seem to them an iron hand. They are declared corporations, are required to deposit money with the insurance department, they must have a board of directors and the officers must furnish bond. The form of benefit certificate is prescribed. The benefit must be payable in lawful money of the United States and the money cannot be earmarked for any one mortician or burial supply dealer.

**Not Found Threat
to Life Insurance**

(CONTINUED FROM PAGE 1)

people have little or no income of their own and are already old, they could not buy annuities from life companies and are, therefore, out of the market to begin with."

As far as group annuities are concerned, Mr. Witte believes that, as with the gratuitous pensions, the class of worker covered is, to a large extent, already outside the field of the insurance companies. Finally, insofar as voluntary annuities go, his opinion is that even if they are established they will not offer much by way of competition with individual companies. The principal reason for this is the fact that no salesmen will be employed. Mr. Witte pointed to the instance of Canada where government annuities have been available since 1908 through the post office but where in all this time only 14,400 policies have been purchased.

President Kitrell Found Guilty

DENVER, March 14.—J. D. Kitrell, former head of the Paramount Life of this city, has been found guilty of income tax evasion by a jury in the United States district court. He was charged with not having paid approximately \$80,000 in income taxes based upon an alleged income of nearly \$400,000 derived from the sale of stock in the Paramount.

Mr. Kitrell, together with J. W. Johnson and A. A. Hall, must also face federal charges of using the mails to defraud, in connection with the transfer sale of stock in the Paramount Life to the Santa Fe National Life, after the Paramount had failed to qualify in Colorado. Qualification was made in New Mexico, and the same officers established the Santa Fe National in that state.

Atlanta Managers Elect

The Atlanta (Ga.) Life Managers Club has elected H. I. Davis, Massachusetts Mutual, president, and H. M. Powell, State Mutual Life, secretary and treasurer. Mr. Powell was also made vice-president. S. M. Carson, Aetna Life, retiring president, was presented with a gift.

RECENT COURT DECISIONS.

Extends Incontestable Clause

Oklahoma Court Holds Provision Applies to Double Indemnity, Disability as Well as Straight Life

The United States district court for the eastern district of Oklahoma, in Thompson vs. New York Life, has departed from the theory of practically all of the courts and has held that the two-year incontestable clause applies to double indemnity and disability as well as straight life insurance.

After having paid disability benefits to Thompson for nine years, the insurer sought rescission of the double indemnity and disability provision, demanded repayment of income disability payments and waiver of premium for the nine years.

Thompson contended that the effect of the incontestable clause is to prevent any defense of non-liability as to the disability or double indemnity benefits, and that it only secures the insurer in the right, after the expiration of the two-year period, to preserve all its rights incident to double indemnity and disability benefits recited in sections 1 and 2 of the policy. Section 1 defines total and permanent disability and contains provisions relating to benefits, recovery from disability, reinstatement, etc., and provides: "These disability benefits will not apply if the disability of the insured shall result from self inflicted injury or from military or naval service in time of war."

Contract Is Quoted

Section 2 reads: "The provision for double indemnity benefit will not apply if the insured's death resulted from self destruction, whether sane or insane; from any violation of law by the insured; from military or naval service in time of war."

The court said that the exception from incontestability as to disability benefits, whatever it may be, is identical with such exception as to double indemnity. Its meaning, therefore, should be held to be the same in the case of either class of benefits. The double indemnity clause is deemed a policy of life insurance within the meaning of the statutes relating to life insurance. Therefore, the Oklahoma statutes become a part of the policy. There is one section of the Oklahoma code that provides for an incontestable clause of not more than two years. Accordingly, the court held that the period within which the insurer could discuss the liability for double indemnity was fixed at two years." If referring to double indemnity the statute has such meaning, does it not follow," the court asked, "that it was intended to have the same meaning as to disability benefits?" The court thinks it should be so considered.

Disability Decision Given by the N. J. Supreme Court

The New Jersey supreme court has sustained the Bayonne district court's ruling that a life company must pay disability benefits to a policyholder who has been disabled longer than the specified period to establish permanency even though the insured has recovered completely before bringing action against the company. The Prudential, defendant, has taken an appeal to the state's highest court, the court of errors & appeals. The company contends that since the plaintiff has admittedly recovered, the presumption of permanency of his disability is thereby destroyed, and consequently the validity of his claim for benefits. No claim was made for benefits beyond the admitted date of recovery.

Elevator Clause Construed

Death of Assured in Freight Elevator Covered Although Policy Specified "Passenger Elevator"

The Iowa supreme court has construed the provision in a policy issued by the Royal Union Life for payment of double indemnity benefits if death comes to the insured while a passenger and is within a passenger elevator, to mean that death in a freight elevator is covered. The case was Boles vs. Royal Union.

The insured, an electrical contractor, was installing fixtures in a room on the fourth floor of the Hotel Maytag in Newton, Ia. He went to the shop one evening and returned with tools. A little later he was found lying in the freight elevator pit, suffering from injuries from which he died.

The supreme court held there was evidence that the elevator was used for transporting passengers and there was no error on the part of the trial court in refusing to hold, as a matter of law, that the elevator was a freight elevator. The Royal Union contended the evidence failed to show that Boles was in the elevator and that the relation of passenger never existed. The only evidence is circumstantial. It seems to be conceded that, if the insured was not on the elevator platform, he did, in any event, fall into the elevator pit from the alley door while attempting to enter the elevator.

Finds No Anticipatory Breach

Error of Insurer, in Good Faith, Misjudging Obligations Doesn't End Continuing Contract

An error made in good faith by the insurer, which misjudged its obligations, is not repudiation, and does not end a continuing contract, but calls only for its enforcement, according to its terms. This was the decision of the United States circuit court of appeals for the fifth circuit (Mississippi) in Mobley vs. New York Life.

Mobley was claiming disability benefits for life expectancy, plus the amount that would be due at his death, all reduced to present value, upon the theory of an anticipatory breach of the contract.

Mobley, at the age of 33, had an operation for appendicitis and as a result was totally disabled. He collected disability benefits for two years through January, 1933. In March of that year the New York Life advised Mobley that no further disability benefits would be made and the premiums due on and after Feb. 7, 1933, become payable.

There was correspondence and on March 17, the company wrote to Mobley that it adhered to its decision. On April 13, the company advised Mobley that one of the policies had lapsed for non-payment and urged him to apply for reinstatement. On June 9, the company notified Mobley of the premium falling due July 9 on the other policy. On July 8, Mobley's attorney had advised the company that Mobley would sue in a few days. The New York Life wrote that it was willing to give Mobley's claim further consideration. Its physician examined Mobley on July 24 and chronic heart disease was found. The company then concluded he was totally disabled and tendered him in August \$910 accrued benefits and a written waiver of premiums. The offer was not accepted and Mobley filed suit claiming a recovery of damages measured by the

sum for the disability payments for the life expectancy, etc.

The higher court held where there is a total or partial maturity of the benefits of a policy, the insured by a simple suit for what is presently owing can readily establish the status of his contract. If he were allowed a present recovery for all future benefits the calculations on which insurance business is done would be upset. Anticipatory breach cannot be asserted in the present case. In the case of an anticipatory breach of the entire contract, there must be a clear and unequivocal repudiation by the promisor of all that remains to be performed. At no time did the New York Life renounce or repudiate its policies, but everything it did were on the terms of them. The New York Life acknowledged its error and tendered full compensation, together with cost. The insured had no right to anything more.

U. S. High Court Rules on Notice of Disability Issue

Accepting the law declared by the Virginia courts, the United States Supreme Court has held that physical and mental incapacity to give notice of disability, excuses the giving of notice and prevents a forfeiture of the policy. The case was Mutual Life of New York vs. Johnson.

A quarterly premium became payable under the policy Nov. 16, 1931, subject to 31 days of grace, extending the time for payment until Dec. 17. On that day the assured was confined to bed, a sufferer from chronic nephritis, which resulted in his death Jan. 20, 1932. As early as Dec. 14, 1931, he was totally and permanently disabled, physically and mentally.

The Mutual Life took the ground that because of the omission of notice of disability, the default is unexcused and the policy has lapsed.

The United States Supreme Court held that the contract is to be interpreted in accordance with the law of Virginia when delivery was made. Reference was made to the decision of the highest court of Virginia in Swann vs. Atlantic Life, 156 Va., 852. The ruling there was that notice was excused by physical and mental incapacity to give it.

In cases of uncertainty the United States Supreme Court states that it steers away from a collision between courts of state and nation when harmony can be attained without the sacrifice of ends of national importance. All that is here for decision is the meaning, the tacit implication of a particular set of words, which may yield a different answer to this reader and to that one. The supreme court accepts the law declared by the state where the contract had its being.

Settlement Is Binding

Where a beneficiary cashes a check providing it is in full settlement of all claims under the policy, there can be no recourse against the insurer for further benefits, the Tennessee supreme court has held in Chilton vs. Inter-State Life & Accident.

The assured, who had a policy for \$2,500 with double indemnity benefits, was killed by a man who suddenly became insane and attacked the assured with an axe.

The beneficiary endorsed and cashed the check "as payment in full for account as noted within." The plaintiff argued that there was no consideration to support the release. The matter, however, according to the court, is controlled by statute in Tennessee, code provisions 9741 and 9742. The effect of these statutes is to give to a written release, seals having been abolished in

Dies While Cancellation Notice in Mail; Covered

Where notice of cancellation of a group policy has been mailed by the employer, but has not actually been opened by the insurer, an employe who dies while the letter is in transit, or is lying over the week end unopened, in the office of the insurer, is covered, according to the Kentucky court of appeals in Inter-Southern Life vs. Esenbeck.

Munns Brothers of Lexington was the employer and paid the premium due on Aug. 16, 1931. On this date it obtained a similar group policy from the Prudential. When the next premium appeared on the Inter-Southern group policy, Sept. 16, 1931, Munns Brothers failed to pay it. On Sept. 18 an employe of Munns Brothers wrote the Inter-Southern a cancellation notice. The letter was placed in the mail Friday, Sept. 25, 1931, about 9:30 p. m. It should have arrived in Louisville about noon on Saturday. The Inter-Southern closed its office on Saturday noon and mail arriving about that time or later was not opened until the Monday following, which would have been Sept. 28. Esenbeck died on Sept. 27.

The court held that the policy had not been canceled at the time of Esenbeck's death since the letter had not been received and been accepted by the Inter-Southern.

Presumption of Death Lacking

Assured's Absence From Home of Relatives, No Longer His Abode, Doesn't Make Policy Payable

The Minnesota supreme court in White vs. Prudential, has held for the assured in a case involving the question of presumption of death after an unexplained absence of the assured for more than seven years. The lower court held for the plaintiff.

The assured in 1917, at the age of 16, enlisted in the army and was discharged in 1920. He did not return to his former home in Mankato, Minn. During his service in the army he wrote affectionate letters to his parents, but after his discharge the parents received a card from California, another from Arizona in 1920. That was all. The records of the war department show that he enlisted in the army in 1924 under the name of Holmes. In that year he was absent without leave and has never been returned to military control.

The higher court held that absence of the assured from the place where his relatives reside, which is not his own place of residence or abode, or their failure to hear from him, does not raise any presumption of death. The home of the assured's parents in this case long prior to his disappearance ceased to be his home or even his place of usual resort. From 1924 on, if alive, he was a fugitive from military justice. It seems apparent that the assured has become a wanderer and the jury could not reasonably find that the probability that he is dead outweighs and preponderates over the theory that he has become a wanderer.

Tennessee, the force of a release under seal at common law. A consideration is imported and the release of the whole debt upon payment of part, being a settlement in writing for the composition of a debt, if made in good faith, is valid and binding.

90TH ANNUAL STATEMENT

DECEMBER 31, 1934

NEW YORK LIFE INSURANCE COMPANY

A MUTUAL COMPANY FOUNDED IN 1845 INCORPORATED UNDER THE LAWS OF THE STATE OF NEW YORK

To the Policy-holders and the Public:—

On the occasion of the ninetieth annual report of the New York Life, it is fitting to review briefly its record of accomplishment since it began business on April 12, 1845.

Founded when this country was young and sparsely settled, the New York Life has forged steadily ahead, spreading the benefits of its protection over millions of people and contributing, through the investment of its funds, to the Nation's development. Having always been a mutual company, it has declared over one billion dollars in dividends payable to policy-holders. Since 1845 it has met every obligation through every panic, war and epidemic.

During the past year the Company paid or credited \$157,000,000 to living policy-holders, and \$70,000,000 to the beneficiaries of those who died.

The Company's assets were \$2,109,505,224 at the close of 1934, an increase of \$98,562,112 over the previous year. The gain in assets during the single year 1934 is greater than the total amount which the Company accumulated in assets during the first forty-four years of its history.

During the year 1934 our investments in Government, State and Municipal Bonds increased \$146,918,786. A decrease of \$17,000,000 in policy loans and an increase of over \$60,000,000 in new insurance issued during the year reflect the general improvement of business in 1934.

The following table shows the diversification of the Company's assets at the end of 1934. All bonds eligible for amortization are carried at their amortized value determined in accordance with the law of the State of New York. All other bonds, including bonds in default, and all guaranteed and preferred stocks, are carried at market value as of December 31, 1934.

	Assets Dec. 31, 1934	Per Cent of each item to Total Assets
Cash on Hand or in Bank.....	\$36,449,562.46	1.73
United States Government, direct, or fully guaranteed Bonds.....	208,726,056.38	9.89
State, County, Municipal Bonds.....	191,270,360.25	9.07
Public Utility Bonds.....	159,151,938.01	7.54
Industrial and Other Bonds.....	21,670,306.29	1.03
Railroad Bonds.....	341,910,539.57	16.21
Canadian Bonds.....	44,445,022.61	2.11
Foreign Bonds.....	2,067,183.26	.10
Preferred and Guaranteed Stocks.....	69,610,789.00	3.30
Real Estate (<i>Including Home Office</i>).....	97,212,901.52	4.61
First Mortgages, City Properties.....	459,805,821.86	21.80
First Mortgages, Farms.....	12,527,521.11	.59
Policy Loans.....	396,467,101.27	18.79
Interest & Rents Due & Accrued.....	31,877,282.34	1.51
Other Assets.....	36,312,838.44	1.72
TOTAL ASSETS	\$2,109,505,224.37	100%

The liabilities of the Company, which include reserves to meet all contractual obligations, were \$1,994,134,579.

Included in liabilities, the Company has set up a Special Investment Reserve of \$28,000,000 not required by law, and reserves of \$45,734,207 for dividends payable to policy-holders in 1935.

Surplus funds reserved for general contingencies on December 31, 1934, amounted to \$115,370,645.

Total insurance in force, represented by 2,649,953 policies, was \$6,661,514,072. The total new paid for insurance in 1934 was \$440,000,000. In addition, men and women paid \$45,000,000 to the Company for annuities to provide a guaranteed life income.

April 12, 1935, marks the Ninetieth Anniversary of the New York Life. In view of its financial strength and its long record of fidelity in the fulfillment of its obligations, this mutual company continues to merit the confidence and patronage of its policy-holders and the public.

Thomas A. Benciner
President

A more complete report listing the securities owned by the Company, together with an illustrated booklet describing the Company's ninety years of service to policy-holders, will gladly be sent upon request. Write to the Company's Home Office at 51 Madison Avenue, New York, or to any of its Branch Offices throughout the United States and Canada.

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